COLLECT CHARGE TO

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AMEMBASSY BUENOS AIRES

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President Videla's First Anniversary Address

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AMEMBASSY MONTEVIDEO AMEMBASSY SANTIAGO

CONFIDENTIAL BUENOS AIRES

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REF: Buenos Aires 2336

1. SUMMARY. Videla's anniversary speech to nation contained no surprises. He justified the military coup, summed up progress of first year of efforts to bring order and stability to country, and inaugurated a "period of creation" during which Argentines will reform themselves, conduct dialogue on political and economic future, and prepare a proposal for national unity. Only when these steps are accomplished will nation be ready for establishment of new order and relinquishment of power by military. Substance and tone of delivery of speech were sober and philosophic, committing GOA to nothing concrete and setting no real schedule for movement.

Moderation appears to be the policy, however, and options for GOA

MELAN TED BY:

POL: RSSteven: jr

DRAFTING DATE TEL. EXT. 4/4/77

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CONTENTS AND CLASSIFICATION APPROVED BY A/POLCOUNS: AGFREEMAN

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and Argentina remain reasonably open. END SUMMARY.

- 2. General Videla addressed nation on radio and TV for 30 minutes on evening of March 31, reporting on his first year as President and suggesting course military plan to follow in short to medium term future. Videla's image as austere, reasonable man, without the harshness or stridency in public speaking tone of a Pinochet, left prixem listeners with impression of firmness but nothing of the stereotypical Latin American military caudillo.
- He began by justifying his Junta's coup of March 1976, reviewing the political and economic chaos of the period, and emphasizing that military had been forced to fill power vacuum left by failure of constitutional mechanisms to resolve xxxxxx. First and most important task was battle against subversion, but military victory over subversion was not only goal of military. Videla said "Permanent goal...is that of establishing a true, durable political order based on the values of freedom, equality, justice and security." While subversive action has been markedly reduced, it is still capable of random acts, and GOA will continue antisubversive effort "...irrespective of the form it may adopt." 4. Moving to second priority effort of last year, Videla reviewed economic difficulties of coup period and subsequent partial recovery. He cited as basic the success in "...preventing unemployment and loss of international confidence." He recognized "stoicism" of poor during last year, and attitude of those who

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produced, invested and paid taxes. In only approach to harshness

in speech, however, he castigated lack of social responsibility of some who "...despite their power of decision over goods and resources provided by the nation, ...are the ones who are not supporting the country and encouraging the possibility of great profits and hope that inflation will never end." Toughest line in speech was: "The armed forces will not tolerate those who, by enjoying their own life, do not honor the sacrifice of our heroes."

- 5. Videla drew Solomonic line by setting as economic goal "...
 a permanent compromise between the advantages of development
 and the equitable personal and regional distribution of the
 benefits of this development." Strong agricultural expansion
 must balance industrial growth, with private sector having
 responsibility for areas not vital to national security.
- 6. "Clear-cut goals" of military are "reorganization of economy, improved functioning of state, new development style, recovery of morality and confidence." Three stages in journey are period of reorganization now substantially complete, period of creation of ideas and consensus on new political and economic structures now beginning, and final period of national unity with implication of return to democratic civilian government. Key to second period is statement: "Formulation of proposal to country is fundamental task which armed forces will have to undertake in period of creation." This "...may lead to a civilian-military agreement." This proposal, however,

CONTINUES

does not "...imply the existence of an electoral schedule."

It will include initiation of a dialogue to allow widespread participation in development of ideas--'We are willing to

listen, and listening presupposes dialogue."

- 7. To complete period of creation, military will have to accomplish: first, complete eradication of subversion; second, restructuring of relationship between individuals and community; third, modernization both in ideas and men, paving road for new leaders; fourth, development and implementation of legal instruments to revitalize political institutions of nation; fifth, modification of political practices and procedures for selection of leaders. Only on completion of these steps will institution of democratic regime reflecting joint desires of armed forces and representative civilian sectors be possible.
- 8. Videla ended by admitting possibility of unintentional mistakes and efforts in work carried on so far (generally interpreted as reference to human rights), and giving assurances that military not motivated by lust for power or desire to remain in power forever. They will stay, however, until their goals are recognized and guaranteed.
- 9. CLAMENT. Press response has been favorable, with some cautious comment, but at this writing there have been few meaningful editorials or other response from politicians or public. Speech was not anticipated with bated breath, and not heard with alarm or even great interest, which may have been more

COMPTDEMENTAL.

or less what Videla intended. Comment which we offered in reftel on anniversary statement of Junta applies equally to Videla speech. Military have left themselves uncommitted to any precise timetable or to any clearly defined ideological path. Within guidelines laid down by Videla there is margin for almost anything, and goals are so broadly defined that they can be declared accomplished in any time period ranging from a year or two to several generations; "restructuring relationships" between Argentines will be an open-ended task at best. On balance, only clear conclusion to be drawn is that Videla and the moderates remain in control, committed to re-establishing in Argentine something resembling the sincere if shaky efforts at achievement of democracy of the past, and unwilling to contemplate taking Argentina off to the extremes of either the political and economic Right or Left.

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GED FRE	FROM : Amembassy BUENOS AIRES DATE: 1	March 24, 1977
SAT TAR	SUBJECT: An End to "The Time of Silence"	
XMD AIR	REF :	* 5
W GOA NAVY		**
32	SUMMARY. President Videla's March 6 reference to a t	ermination of "the
DEN NSA	Fire for gilongo" inspired considerable speculation a	DOUT Argentina s
	political future. For the moment, the armed forces p simply broader consultations with representatives of	lobably lieve in mining
	Noither the givilian politicians not the DUDIIC IS GO	manding much hore,
DIST:	and from the government's point of view, a limited of	Deutific lifth right scent
AMB	a dangerous tendency toward the isolation of the arme	, , ,
DCM POL-3-	1. During his March 6 return flight from a state visi	t to Peru, President
POL/R	Videla told reporters that "the time for silence is e 1977 consultations would be undertaken with political	mame and that duming
USIS ECOM	atime of other sectors These consultations, accord	ling to the riesident,
CHRON	third he part of a search for 'bolifical delimition,	and would mark a liew
RF	phase of the National Reorganization program which he of creativity."	e terned trie prizac
	2. Videla's statements were warmly welcomed in the ne	ews media. Speculation
	as to their significance would have been normal under it was further encouraged by the fact that his commen	ILS COMICIOEU WILLIA
:	flower of activity connected with the approaching an	Tiversary or the ractur
	24, 1976 oup: all three armed services have held se the general officers level to evaluate the first year	Darate meernigs at
	l mont, the jumte has made its appraisal based UDON IN	e reports of the times
	l pereriosa, chirch suthorities have draffed a confiden	CIAL LEDOLL GIAL MALL
	coon be presented to the junta: rimors have circulat	ed freery, armough
	apparently without foundation, concerning impending structure ("fourth man" theme) and cabinet personnel	(especially rattimez
	l de Hoz and/or his chief aides): and labor leaders di	scussed (Dur rejected)
	making another attempt at convoking a plenum before	March 24.
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- 3. We have been told that Videla's airborne remarks were a slip on his part, but an indirect source in the presidential secretariat claims that last week's army meeting endorsed the president's call for a dialogue. The consensus of journalistic, political and official comment we have heard and read supports our own view that the government does not have in mind a "political opening" in the sense of a quickened, purposeful move toward restoration of civilian political participation in the government. Despite the lack of specifics as to the form and substance of the proposed consultations, we believe that the government's plans do not include (a) any kind of elections whatsoever; (b) discussions with political parties per se (as opposed to individuals who are politicians); or (c) a timetable for renewed civilian political participation.
- 4. Interior Minister Harguindeguy sounded quite categorical on these points when he offered his "personal interpretation" of Videla's remarks. On March 17, after the Army's general officers meeting, Harguindeguy told reporters that the end of "the time for silence" meant that the "phase of creativity" would evolve with individual contributions from patriotic, talented and intelligent Argentines: "I do not interpret the president's comments to mean that the closing of the period of silence in any way signifies initiation of a dialogue with political groups."
- 5. The great majority of Argentines, including most civilian politicians, are neither surprised nor particularly disappointed that the junta is not considering a return to the norms of civilian politics in the near future. On the contrary, they appear to be satisfied with the prospect of having their views considered by the government. Peronists and Radicals have told us that their parties are totally unprepared for electoral participation. Argentine workers are primarily concerned about their salaries and standard of living, and, for them, an immediate return to civilian government is not an issue that raises much ardor at this point. The track record of Argentina's current group of civilian politicos, and particularly their shabby performance during the precoup period, does not inspire confidence on the part of most Argentines.
- 6. In the past year, the junta has quietly and informally consulted informed and influential citizens, and the "opening" to which Videla referred may simply involve intens fying, publicizing and institutionalizing this practice. If so, it would be the type of cautious, limited step typical of this government; a measure designed to suggest progress in the political field but one devoid of explicit promises as to outcomes. Certain sectors within the government have undoubtedly conceived more involved and detailed proposals for an eventual shift from military to civilian rule. For now, however, these exercises amount to contingency planning rather than the drafting of proposals for near-term implementation.
- 7. The decision to initiate a "political opening" of any kind is important evidence that the junta and the armed forces are sensitive to the danger that the military in power may become, or be widely perceived as, isolated from the remainder of society. Among other things, the government's human rights record and its refusal to provide the media with information on what transpires

in government councils are contributing to the image of a government going its own way, oblivious to public opinion and concerns. That is an image that the government can ill afford, and one that it may be trying to correct through broader consultations with representative Argentines.

HILL

CONFIDENTIAL

February 10, 1977

TO:

The Ambassador

THRU:

POLCOUNS: WSSmith

FROM:

Yvonne Thayer &

SUBJECT:

Zumwalt-Thayer Telecon of Feb. 10, 1976

In reply to Feb. 10 telephone inquiry from Admiral Zumwalt to the Ambassador concerning Argentine national Monica Mignone, I spoke with the Admiral's daughter Anne Zumwalt the afternoon of Feb. 10. I told her that Monica Mignone had been abducted from her parents' home in May and that despite considerable efforts on the part of her family and friends, Embassy inquiries at the Foreign Ministry and a personal appeal by Congressman Drinan to the Ministries of Justice, Interior and Foreign Relations in Buenos Aires in November, no information had ever turned up concerning her whereabouts or welfare. I mentioned our personal contacts with the father Emilio Mignone in Buenos Aires and added that he had been in to see EC/ARA officer Fred Rondon at the State Department on January 28. I told her that Mr. Mignone still had no word of his daughter as of that date, but gave her Mr. Rondon's office phone in case she wished to get further information or try to contact Mr. Mignone if he is still in Washington.

She asked me specifically what Congressman Drinan did on behalf of Miss Mignone and I replied that the Congressman asked for information on Miss Mignone directly from high ranking officials in the Ministries of Justice;, Interior and Foreign Relations. The officials insisted they had made a careful check into the case but had turned up nothing, she had simply "disappeared." Miss Zumwalt said she was not aware of the Mignone case but that someone she could not identify asked her father to see what he could do in the matter. Her father had already left for Europe but she was to turn over the Embassy's information to Admiral William Thompson. I told her that the Ambassador sent his personal regards to Admiral Zumwalt and wanted to wish him well on his trip, which she said she would convey to her father. I added that should the Embassy learn anything new on the Mignone case, we would be sure to advise the Admiral. She thanked me for my assistance.

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CONFIDENTIAL BUENOS AIRES 2053

REFS: (a) Buenos Aires 1852, (b) Buenos Aires 1896

disappointed and angerad

1. SUMMARY. High-ranking GOA officials are shaken, by our action.

They resent our inability to appreciate their view that their

vicious conflict requires "special tactics" and final solutions.

They fear that anything less than total annihilation of the

terrorists will spell a resurgence of the threat when the country

returns to normal civil rule. We see no evidence that they are

prepared to cede to external pressures in the foreseeable future.

At best they may be inclined to a cosmetic toning down of the

abuses i order to assuage international criticism. Our lines

of communication to the government are still open and they want

to minimize the damage to bilateral relations. "The people"

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avoid being involved. appear ambivalent on the issue, hoping to/stayonkanusofixbarrukax wayex Businessmen, Argentine and American alike, are the most outspoken critics of our policy. A handful of human rights activistd who deal directly with the victims and their families support us, but not openly. Others who abhor the government's repressive methods nevertheless suspect our motives, see us acting for egocentric reasons and equally condemn a policy of sanctions. END SUPMARY.

- 2. Government officials are hurt and are still assessing the repercussions of our action. They feel/beaugust. Their reaction is shaped by the conviction that in fighting for their own survival they also have been defending western values--and, coincidentally, US interests. It is further influenced by the fact that significant sectors in the armed forces see Argentina's traditional tilt toward Europe as an historical error and view solidifying their government as having initiated a process of building primary ties to the US. They do not comprehend how US interests possibly could be served through a violent takeover of Argentina by armed bands of loosely Marxist or nihilistic Argentine youth whose leaders originally were trained in Cuba. Although they have not asked for US material aid in dealing with the terrorist problem, they feel that they deserve our moral support and not this unkind blow from what they thought was a friendly power.
- 3. The casual manner in which the FMS cut was announced, the unflattering comparison with Ethiopia, and the apparent US

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double standard vis-a-vis South Korea and the Philippines further wounded their pride and heightened their anger. However, they carefully calibrated their response, because they wish to minimize damage to bilateral relations, if possible. They resisted the temptation to mount a demogogic political campaign against us because it would not serve their interests.

4. There has been little perceptable reaction from the general public, one way or the other, perhaps because its primary the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because/among the prevailing attitude concern is with domestic economic problems; perhaps because it with the prevailing attitude concern is with the prevailing attitude attitude concern is with the prevailing attitude concern is

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among the most vitriolic in condemning the US action. American businessmen are also very upset. They

/**Message states by see our human rights policy as having evolved in a vacuum filled by impractical people with strange political ideas, or worse, for which the businessmen particularly blame themselves for not having presented their own assessment of the Argentine situation to Congress more effectively. Put another way, they feel that the USC did not sort out US interests in Argentina realistically before taking the action we took. They fear that their business interests is accounted to the contract of the action we took.

CONTIDENTIAL

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an Argentine backlash.

- (b) What correspondence we have received has been uniformly critical, with one exception-a letter from an anonymous source whose nexttof kin disappeared at the hands of the security forces and who saw our action as a blow "for democracy." Individual churchmen and other human rights activists warmly endorsed our actions. Christian-oriented (CLAT) trade unionists who have built their careers on attacking US policies suddenly are warm and friendly. "Verticalist" Peronist labor politicians cynically are bemused by the controversy. They secretly are pleased to see us in a confrontation with the government, but take the view that the Montoneros are getting what they deserve. They probably would join any government attempt to demogogically exploit jingoistic or xenophobic impulses against us on this issue. However, we have noted that the previously existing tendency among labor leaders to distinguish sharply between trade union prisoners and subversive suspects appears to be breaking down; independent or neo-Peronist labor leaders are now more inclined to share our concern over human rights, but not in public.
- (c) The attitude of "PA Herald" director Robert Cox is of special note because of his record of outspokenness on human rights.

 (Unfortunately his readership is very limited.) Cox believes we are pursuing the right policy for the wrong reasons, and he bitterly opposes the sanctions approach. He sees our human

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rights advocacy as an outgrowth of a guilt complex over Viet Nam and judges it a latter-day version of our traditional imperialistic impulse, i.e. just another empty-headed attempt to project our problems onto the world scene and impose our value systems on other peoples without due regard or much attention to their problems. His opposition to sanctions stems from a conviction that they not only do not work but are actually counterproductive.

- (d) The views of other journalists are relevant here. Quite a few aee the US stress on human rights as a cool Machiavelian calculation aimed primarily at the Soviet Union, with little concern for the impact on Latin America since this region has always come last in terms of US interests. Another writer, however, sees President Carter as a tragic Wilsonian figure doomed to failure because of his alleged unidimensional emphasis on moral concerns to the detriment of standard, traditional US interests.
- 5. Unlike the 1940s blow-up over "Braden or Peron," the key impact which has to be measured is that on the elite force most likely to control the country's destiny for the foreseeable future—the military. A siege mentality prevails in the military and in the upper levels of government. The terrorist problem literally has been a life or death matter for military men, policemen and their families. In an attempt to explain "their side" of the story, we have found high-ranking military

CONTENTIAL

contacts to be unusually and brutally frank about their aims and objectives in the last two weeks. We believe the official GOA denial that human rights violations take place is a barefaced attempt at stonewalling the problem. The accusation that our FMS action is attributable to our ignorance of the situation in Argentina is merely official shorthand for expressing their distress over our disagreement with their methods. They say they are in a dirty, fratricidal war with an enemy who strikes in the dark and who occasionally turns out to be one's own son or daughter. Such a conflict requires special methods and a "final solution," they say. There can be only one objective. i.e. to liquidate the terrorists. If the military is eventually to return the country to civilian hands, it cannot afford to have large numbers of unrehabilitated terrorists languishing in the jails. Another Campora could come along and let them out and then the problem would start all over again. Therefore, they say. US sanctions cannot alter what they feel they must do and how they must do it. What they want us to believe is that by our actions we are merely aiding and abetting a common enemy. Inasmuch as the economic recovery of the country is deemed essential to destroying the terrorists' recruitment / these, they argue that US economic sanctions especially would contribute to the terrorist cause. (We find it particularly disturbing that the estimate of how long it will take to eradicate the terrorist problem keeps on extending. An

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admiral close to Massera told us last week that the Navy's estimate is now two years.)

6. There seems to be no basic disagreement between the so-called 'moderates" and "hardliners" within the government with respect to these objectives. Videla may wish to tone down the excesses for public and international consumption, but there is no evidence that he wants or is able to do more than this. Quite the contrary, we have SRF reports which suggest that Videla, although concerned about increasing attacks from the US and the Vatican, sees no way other than pursuing the antiterrorist campaign to its bitter end. We doubt that anything less than widescale, popular discontent with the government's repressive measures could induce it winto suspending the most blatant and objectionable abuses. Even then they might easily beefrightened into merely escalating the scale of repressions. At any rate, we do not see sufficient domestic discontent developing on this issue in the near future.

7. CONCLUSIONS:

- (a) The way in which the FMS cut was announced wounded themi. It convinced them that the USG considers Argentina unimportant and a country which can be singled out for punishment with impunity.
- (b) The action was seen as a sanction--punishment by the USG. and not as disengagement or avoiding identification with the Argentine military regime. CDAxxx(A2xthoxEcx2iux-Minister-hipsolf-x51id_x.cux-x0laticus

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FonMin himself said relations between US and Argentina had never been close. It was clear however that such warming in relations as had taken place over past year had now suffered a significant setback.)

- (c) We see no indication that the reduction of FMS has had any positive effect on GOA thinking about their counterterrorist tactics, having polled opinion at high levels in all three services on this.
- (d) Alternate approaches: Recent research on the terrorist mentality collected by USIA has produced some insights which have been useful in dealing with terrorist incidents. Looking at the other side of the matter, we believe that the effects of terrorism on its victims produce attitudes which do not respond positively/to simple disapproval or punishment. We believe that if we are to be successful in improving GOA observance of human rights we must come up with policies which take into account the real fears (reasonable or not) of the officials of this government. As we go into the PARM cycle we shall be exploring these ideas further.

INUATION SHEET

DATE: November 5, 1976

lemorandum

UNITED STATES GOVERNMENT

TO Ambassador Hill

THRU W. W. Hitchcock - CONS WWW

THRU M. Chaplin - DCM-

FROM G. J. Whitman - CONS

G5A FPMR (41 CFR) 101-11.6

SUBJECT:

Arrest Case of Patricia Ann Erb

On November 4, 1976 Mr. and Mrs. John Delbert Erb visited the Embassy to provide additional details concerning the arrest and detention of their daughter, Patricia Ann Erb, in Buenos Aires on September 13, 1976. Mrs. Erb traveled with Patricia to the United States and has recently returned to Buenos Aires. Mrs. Erb and Patricia also spoke to Fred Rondon in Elkhart, Indiana in greater detail than is related here.

Mrs. Erb stated that, contrary to her daughter's previous declarations, Patricia had been systematically tortured for several days after her abduction. According to Mrs. Erb, Patricia initially refused to provide her captors with information on her activities in the "Juventud Guevarista". The torture ceased after she prepared and signed a statement outlining these activities and naming the other members of her cell.

Patricia was also made to sign a statement promising not to tell the Embassy about her treatment. She was repeatedly told that if she did so, members of her family would be killed.

Mrs. Erb was reluctant to go into detail regarding Patricia's torture. She stated, however, that Patricia had been beaten with a revolving stick device that left no marks or bruises. Her head was submerged in a tub of water until she started to ingest its contents. The treatment was repeated using human excrement. She was subjected to electric shocks on her breasts, genitals and other parts of her body. She finally "confessed" on the "electric bed", a "wired" wire mattress on which she was placed, nude, and doused with water. She was not raped, although an attempt was made by one of the guards. She said that the attempted rape was not part of the "official treatment" and that she thought the guard would have been severely reprimanded if he were caught.

Mrs. Erb stated that Patricia is experiencing adverse psychological effects as a result of her detention. She has difficulty sleeping and often wakes up crying or screaming. She is now under psychiatric treatment. Patricia intends to remain in Elkhart, Indiana with relatives and plans to study nursing.

The Erbs want no protests using Patricia's name for fear of reprisals to the family in Buenos Aires. They also expressed their profound gratitude to the Embassy for our efforts on behalf of their daughter.

CC: WSmith - POL
GSBeckett - RSO
RScherrer - LEGATT
Col. Coughlin - DAO

INDICATE CHARGE TO

AmEmbassy BUENOS AIRES

CLASSIFICATION

E.O. 11652.

TAGS: SUBJECT:

GDS

SHUM, SREF, PORG, AR ARGENTINE REQUEST FOR US SUPPORT IN UN COMMISSION ON HUMAN RIGHTS

ACTION:

SECSTATE WASHDC PRIORITY USMISSION GENEVA PRIORITY

INFO:

AmEmbassy OTTAWA

CONFIDENTIAL BUENOS AIRES

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1. SUMMARY: GOA has requested US support in February 7 meeting in Geneva of UN Commission on Human Rights which will consider resolution critical of Argentine treatment of refugees. GOA claims it has treated refugees in accordance with existing agreements and that local office of UNHCR will so report to Commission. Embassy recommends Department give careful consideration of acceding to GOA request with appropriate conditions. END SUMMARY On January 19 Acting Undersecretary FornOffice called in DCM to present Aide Memoire which requests USG support in February 7 Geneva meeting of UN Human Rights Commission. This meeting will consider a draft

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resolution prepared in August 1976 by the 29th meeting of the sub-commission on discrimination and persecution of minorities. Draft resolution was apparently highly critical of Argentina and FornOff provided a copy of Argentine Ambassador's speech rejecting it before sub-commission. Aide Memoire rejects this resolution, states that it is of interest to the Argentine Government that the Commission Non Human Rights not continue to debate the draft, and restates the firm objective of GOA to assure respect for human rights, as well as the solution of the problem of refugees in Argentina. Finally, it states "... consequently this Ministry would be grateful for the support of your government with the objective that this subject not be debated by the Commission on Human Rights and thus avoid the adoption of a resolution which WMXMXXX would not be positive and that, on the contrary, would ${}^{H}_{Q}$ ffect the friendly relations which ought to exist between members of the international community. This Ministry would hope to know the answer to it; request stated above before the next meeting of the Commission on Human Rights."

3. Acting Subsecretary SANTOIANNA was assisted by Director of North American Affairs ESPECHE and

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new head of Human Rights Working Group, Juan Carlos ARLIA, who carried burden of presentation. They stated that refugees in Argentina were currently being treated with strict accordance with existing international agreements and that local office of UNHCR would so testify to Commission. They also observed that a long-term mission of International Red Cross was currently in the country and had complete freedom of access to all detention centers. They asserted that the draft resolution contains false and objectionable allegations about the situation in Argentina and failed to recognize the enormous efforts made by GOA to deal with massive problem of illegal immigrants and refugees. They hoped that Commission action at February 7 meeting could be limited to a statement taking note of Argentine efforts to solve refugee problem and express satisfaction on progress made.

4. Our soundings indicate UK, Canadian and Cuban Embassies have been presented with identical requests and also received a hard sell by FornOff. Muller of UNHCR firmly asserts he does not know position to be taken by UNHCR in its report to Commission. His assessment is that situation has improved over past six months. That view coincides with Embassy impression.

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FORM 4-68 FS-413A

- 5. Our Canadian colleagues report that US is not a member of the Commission this year and that Canada representing the group of countries which includes the US. FornOff officials stated their firm belief that US is a current member, and appeal made on that basis. Assuming Canadians are correct, GOA would assume that USG could be sufficiently persuasive to influence Canadian vote.
- an attractive opportunity. Presentation by senior FornOff officials was remarkable for depth of emotion about Argentina getting XXXX fair treatment in international forum and for the intense concern over Argentina's international image. Previously we have felt that GOA has not really been deeply concerned over its image abroad beyond that held by foreign lenders, but GOA is giving all the signals that February 7 meeting is important to it. We think many GOA officials believe that they have been dealing with refugees in good faith and are proud of it.
- 7. This situation could have the elements of an opportunity to promote improved observance of human rights in Argentina. Provided report of UNHCR

COMPTDENTIAL

FORM 4-68 FS-413A

is at least modestly encouraging, and other members of US group could be persuaded to go along, vote to kill draft resolution might be coupled to Commission action to review more closely general human rights situation, possibly including visit to Argentina. wants to kill draft resolution enough, it might agree to cooperate with a visit.

8. Embassy hopes the Department will be able to provide some indication of US position by February 4, so that FornOff can be informed.

cleared by phonise

DEPARTMENT OF STATE



CHARGE TO

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Amembassy	Buenos	Aires

CLASSIFICATION UNCLASSIFIED

E.O. 11652:

TAGS: SUBJECT: A/A PFOR, SHUM, AR, US

Delivery of Congressional Letter

ACTION:

Secstate WASHDC

UNCLASSIFIED - BUENOS AIRES

(A) Buenos Aires 6575; (B) State 251209 REF:

AMB DCM POL-3

RF CHRON Embassy would appreciate Office of Congressional Relations notifying drafters of letter mentioned in reftel (A) that letter has been delivered to the Foreign Office for forwarding to addressee.

HILL

DRAFTED BY: AMB: RCH: blr

CLEARANCES:

DRAFTING DATE 10/22/76 TEL. EXT. 120

CONTENTS AND CLASSIFICATION APPROVED BY:

AMB: RCH111

DCM: MChaplin

UNCLASSIFIED

Ambassador

Oct. 22, 76 (

Mrs. Hill mentioned to me this morning the I spoke with POL secretaries twice, Holtzmann letter. and then to Wayne. They had told him what you asked me to pass on -- that a cable should be sent to the Congreeswoman When I talked to Wayne, he said he would speak with you about this as he did not think a cable was necessary. \(\sigma \) o I took it for granted he mentioned it to you in one of your thoughood Tooms afferment. With h. B. S. not To confum various conversations.

Leota NW 52968 DocId:32735130 Page 26

Amb

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TO AMEMBASSY BUENOS AIRES PRIORITY 4351/4352/4353

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11652:GDS

MAGS: PFOR. SHUM. AR. US

SUBJECT: CONGRESSIONAL LETTERS TO PRESIDENT VIDELA

REF: BUENOS AIRES 6426 (A), BUENOS AIRES 6440 (B)

BUENOS AIRES 06575 (C) attached

DEPARTMENT IS AWARE OF THREE LETTERS ADDRESSED TO PRESIDENT VIDELA BY MEMBERS OF CONGRESS. THEY INCLUDE THE IWO NOTED IN REFTELS AND A THIRD SIGNED BY CONGRESSMAN HARRINGTON AND FIFTEEN OTHER HOUSE MEMBERS, INCLUDING FRASER, HARKIN AND KOCH, ASKING VIDELA TO INTERVENE ON BEHALF OF ANDRES CULTELLI OF URUGUAY, REGINA MACONDES OF BRAZIL, MARIO MUNOZ SALAS OF CHILE AND ARGENTINIAN RAYMUNDO GLEYZER.

2. LETTER MENTIONED IN REFTEL B DATED SEPTEMBER 28 IS FROM CONGRESSWOMAN ELIZABETH HOLTZMAN AND FIFTY-SIX OTHER HOUSE MEMBERS OF THE HOUSE INTERNATIONAL RELATIONS COMMITTEE AND MEMBERS OF THE FOREIGN ASSISTANCE SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE. TEXT FOLLOWS:

QUOTE: DEAR PRESIDENT VIDELA:

WE MEMBERS OF THE UNITED STATES CONGRESS WISH TO EXPRESS OUR DEEP CONCERN ABOUT RECENT REPORTS OF ANTI-SEMITIC VIOLENCE IN ARGENTINA.

IN THE PAST SEVERAL WEEKS, THE PRESS HAS REPORTED A NUMBER OF SHOOTINGS AND BOMBINGS OF JEWISH INSTITUTIONS AND BUSINESSES IN YOUR COUNTRY, AS WELL AS THE KIDNAPPING OF SEVERAL PROMINENT JEWS. THESE ATTACKS HAVE REPORTEDLY BEEN CONDONED AND EVEN ENCOURAGED BY SOME GROUPS WITHIN THE ARGENTINE MILITARY AND POLICE FORCES. IN ADDITION, WE UNDERSTAND THAT THE DISTRIBUTION OF NAZI LITERATURE WITHIN ARGENTINA HAS INCREASED SHARPLY IN RECENT MONTHS.

DAO MB. LEGATT DCM DEA POL FAS ECOM AID PO! /R MILGP PE⊀ CONS ADM GSO USIS B&F 871 CHRON

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WE DEPLORE THESE INCIDENTS OF VIOLENT ANTI-SEMITISM WHICH ARE REPUGNANT TO AMERICANS AND PEOPLE OF GOODWILL EVERY-WHERE. WE UNDERSTAND THAT YOU. TOO, HAVE EXPRESSED YOUR OPPOSITION TO THESE ACTIONS.

WE MOST RESPECTFULLY CALL UPON YOU, THEREFORE, TO MAKE EVERY EFFORT TO END ANTI-SEMITIC TERRORISM IN YOUR COUNTRY.

SINCERELY, HOLTZMAN, ABZUG, ALLEN, AMBRO, BEARD. BEDELL, BINGHAM, BLANCHARD, BRODHEAD, BURTON, BURTON, CHISHOLM, CORMAN, DERWINSKI, DIGGS, DOWNEY, DRINAN, EDWARDS. EILBERG, EVANS, FASCELL, FRASER, FRENZEL, GUDE, HALL, HARKIN HARRINGTON, HEINZ, HUGHES, KOCH, KREBS, LEHMAN, LONG. MAZZOLI, MEZVINSKY, MITCHELL, NIX, OTTINGER, PEPPER, RANGEL, RICHMOND, RIEGLE, RONCALIO, ROSENTHAL, ROYBAL, SANTINI, SOLARZ, STARK, TRAXLER, UDALL, VANDER VEEN, WAXMAN. WOLFF, WON PAT, WRIGHT, WYDLER, WHITEHURST. UNQUOTE.

3. HARKIN LETTER REFERRED TO IN REFTEL A DATED SEPTEMBER STATES: QUOTE: DEAR SIR:

I AM WRITING IN REGARD TO FIVE THEOLOGICAL STUDENTS WHO ARE BEING HELD INCOMMUNICADO IN YOUR COUNTRY SINCE THEY WERE ABDUCTED FROM THEIR RESIDENCE IN CORDOBA ON AUGUST 3. 1976.

I AM INFORMED BY EYEWITNESSES TO THE ABDUCTION THAT THE STUDENTS DANIEL GARCIA CARRANZA, ALEJANDRO DAUSA, JOSE LOUIS DESTEFANI AND ALFREDO VELANDA (ALL ARGENTINIANS). THE CHILEAN, HUMBERTO PANTAJO TAPIA, AND REV. WEEKS WERE TAKEN FROM THEIR HOUSE AFTER BEING BOUND, GAGGED AND, IN

AT LEAST ONE CASE BEATEN BY A GROUP OF MEN IN PLAIN CLOTHES, ARMED WITH SUBMACHINE GUNS. THESE MEN OFFERED NO IDENTIFICATION OTHER THAN A STATEMENT TO A WITNESS THAT THEY WERE MONTONEROS. THE STUDENTS AND REV. WEEKS WERE TAKEN WITHIN SEVERAL HOURS TO A LOCAL JAIL AND HAVE SINCE BEEN TRANSFERRED AT LEAST ONCE. REV. WEEKS WAS RELEASED ONLY AFTER PROTESTS BY MY GOVERNMENT. THE STUDENTS REMAIN IMPRISONED.

I WISH TO KNOW WHAT THE LEGAL STATUS OF EACH STUDENT IS. HAVE ANY CHARGES BEEN FILED AGAINST ANY ONE OF THEM? WHERE ARE THEY BEING HELD? HOW LONG MAY THEY BE HELD UNDER YOUR LAW BEFORE CHARGES MUST BE FILED OR THEY MUST BE RELEASED? SPECIFICALLY WHAT EVIDENCE DOES YOUR GOVERN-MENT HAVE THAT ANY OF THE STUDENTS HAS ENGAGED IN ANY ACT OF SUBVERSION AGAINST YOUR GOVERNMENT? WERE THE MEN WHO ABDUCTED REYSO WEEKS AND THE STUDENTS POLICE OR MILITARY

OFFICIALS? WERE THEY ACTING IN AN OFFICIAL CAPACITY AT THE TIME? IF SO, IS THIS TYPICAL AS POLICE PROCEDURES IN ARGENTINA? IF NOT, HAVE ANY ACTIONS BEEN TAKEN BY YOU OR OTHER GOVERNMENT OFFICIALS TO DISCIPLINE THE OFFICIALS INVOLVED AND TO ENSURE THAT SUCH PRACTICE CEASE? I AM EAGER TO HEAR ANYTHING FROM YOU THAT WOULD JUSTIFY THE METHODS WHICH YOUR GOVERNMENT USED IN THIS MATTER. BASED ON THE ACCOUNTS OF THE INCIDENT BY WITNESSES AND SOME KNOWLEDGE OF THE PERSONS INVOLVED, I PRESENTLY CAN FIND NO SUCH JUSTIFICATION FOR THESE ACTIONS.

I AM WELL AWARE THAT TERRORISTS ON BOTH ENDS OF THE POLITICAL SPECTRUM THREATEN THE STABILITY OF YOUR NATION. I CONDEMN ALL TERRORIST ENDEAVORS REGARDLESS OF IDEOLO-GICAL ORIGIN. HOWEVER, IT IS APPARENT THAT RIGHT-WING TERRORISTS ARE TOLERATED IN SOME AREAS BY POLICY AND MILITARY AUTHORITIES AND, IN SOME CASES, HAVE SECURED THE ACTIVE COOPERATION OF THESE OFFICIALS IN ASSAULTS ON ARGENTINE CITIZENS, POLITICAL REFUGEES FROM OTHER NATIONS AND U.S. CITIZENS WHO ARE GUILTY ONLY OF HOLDING VIEWS AND OPINIONS CONTRARY TO THOSE OF THE OFFICIALS.

THE CASE I HAVE NOTED ABOVE IS ONLY ONE OF A NUMBER WHICH ILLUSTRATE THE IMPUNITY WITH WHICH RIGHT-WING TERRORISTS ACT IN YOUR COUNTRY, IN CONTRAST TO GOVERNMENT EFFORTS TO SUPPRESS SIMILAR LEFT-WING ACTIVITIES. AS ALLIES OF ARGENTINA AND FRIENDS OF YOUR PEOPLE, WE LOOK FAVORABLY UPON EFFORTS TO RESTORE DOMESTIC TRANQUILITY. IN EQUAL MEASURE, WE DEPLORE THE SELECTIVE ENFORCEMENT OF LAWS RESULTING IN POLITICAL PERSECUTION AND INCREASING POLITI-

CAL POLARIZATION RATHER THAN CIVIL PEACE. SUCH BRUTAL ATTEMPTS TO FORCE POLITICAL CONFORMITY UPON THE POPULATION FALL WITHIN THE SHADOW OF TOTALITARIANISM AND HAVE NO PLACE IN ANY CIVILIZED SOCIETY WHICH PROFESSES BELIEF IN THE ABILITY OF PEOPLE TO RULE THEMSELVES.

I AM HOPEFUL THAT YOUR RESPONSE TO MY QUESTIONS WILL INDICATE A WILLINGNESS TO APPLY THE LAW IN EQUAL MEASURE TO ALL RESIDENTS OF YOUR COUNTRY. MANY MEMBERS OF THE U.S. CONGRESS WOULD SUPPORT EFFORTS TO CEASE THE ABUSE OF AUTHORITY BY A LIMITED NUMBER OF ARGENTINIAN POLICE AND MILITARY OFFICIALS. SUCH EFFORTS ARE ABSOLUTELY NECESSARY IN ORDER TO RECTIFY ACTIONS WHICH ARE DESTRUCTIVE BOTH OF DEMOCRATIC INSTITUTIONS IN YOUR COUNTRY AND OF THE LONG HISTORY OF AMICABLE RELATIONS BETWEEN OUR COUNTRIES.

I WISH TO EMPHASIZE THAT I SPEAK IN A SPIRIT OF CONCERN FOR A CONTINUATION OF THAT RELATIONSHIP. YOUR PROMPT AND THOROUGH REPLY WILL BE APPRECIATED.

TOM HARKIN. SINCERELY.

4. TEXT OF THIRD LETTER DATED AUGUST 13 FOLLOWS:

QUOTE: DEAR MR. PRESIDENT:

THE UNDERSIGNED MEMBERS OF THE UNITED STATES CONGRESS WRITE TO YOU TODAY DEEPLY CONCERNED WITH THE STATUS OF HUMAN RIGHTS IN YOUR COUNTRY, AND RESPECTFULLY REQUEST YOUR INTERVENTION IN THE FOLLOWING CASES: MR. ANDRES CULTELLI, A URUGUAYAN; MRS. REGINA MACONDES, A BRAZILIAN; MR. MARIO MUNOZ SALAS, A CHILEAN; AND RAYMUNDO GLEYZER, AN INTERNATIONALLY KNOWN AND RESPECTED FILMMAKER. AS YOU INDICATED IN YOUR INAUGURAL ADDRESS, CONCERN FOR HUMAN RIGHTS IS A CONCERN OF HUMANITY NOT DEPENDENT ON INTERNATIONAL DECLARATIONS, BUT ON CONCRETE ACTIONS. THEREFORE, WE FEEL CONFIDENT THAT YOU WILL INVESTIGATE THOROUGHLY THE ALLEGATIONS CONTAINED HEREIN.

MR. ANDRES CULTELLI, A URUGUAYAN WHO SOUGHT POLITICAL ASYLUM IN YOUR COUNTRY, WAS FIRST ARRESTED IN MARCH 1975, BY THE GOVERNMENT OF ISABEL PERON. AS OF APRIL OF THIS YEAR, MR. CULTELLI'S FAMILY WAS STILL UNAWARE OF ANY OFFICIAL CHARGES AGAINST HIM. RESPONDING TO INQUIRIES, AMBASSADOR VAZQUEZ RELEASED INFORMATION ON JULY 1ST THAT MR. CULTELLI WAS BEING HELD FOR VIOLATION OF FEDERAL LAW 20.840 (SUBVERSIVE ACTIVITIES). RELIABLE SOURCES HAVE ALLEGED THAT ARGENTINE AND URUGUAYAN OFFICIALS HAVE TORTURED

HIM EXTENSIVELY SINCE HIS ARREST. IF THE ALLEGATION IS TRUE, THEN MR. HARRINGTON'S PREVIOUS REQUEST THAT MR. CULTELLI NOT BE EXTRADITED TO URUGUAY UNDER ANY CIRCUMSTANCES IS UNDERSTANDABLY JUSTIFIED.

THE SECOND CASE INVOLVES MRS. REGINA MACONDES, A BRAZILIAN NATIONAL, WHO WAS ARRESTED APRIL 10, 1976. THE ARGENTINE GOVERNMENT WAS URGED AT THAT TIME TO RELEASE INFORMATION AS TO WHERE SHE WAS BEING HELD AND ON WHAT CHARGE. IT WAS ALSO REQUESTED THAT SHE NOT BE EXTRADITED TO BRAZIL DUE TO THAT GOVERNMENT'S MANIFEST DISREGARD FOR HUMAN RIGHTS. MRS. MACONDES' FATE IS AS YET STILL UNKNOWN TO US.

THE THIRD CASE, THAT OF MR. MARIO MUNOZ SALAS, A CHILEAN UNIONIST, IS SIMILAR TO THE PREVIOUS ONES. MR. MUNOZ WAS ALSO A NON-ARGENTINE SEEKING POLITICAL ASYLUM IN YOUR COUNTRY. IT HAS BEEN ALLEGED THAT THIS INDIVIDUAL IS BEING HUNTED ON THE ORDERS TO BE SHOT ON SIGHT. WE ONCE AGAIN EXTEND THE REQUEST THAT HE AND HIS FAMILY BE GRANTED SAFE CONDUCT OUT OF ARGENTINA. AS MR. HARRINGTON NOTED IN HIS LETTER DATED JUNE 4, 1976, TO AMBASSADOR VAZQUEZ, EXTRADITION OF THIS MAN TO CHILE WOULD BE TANTAMOUNT TO SENTENCING HIM TO INDEFINITE INCARCERATION OR DEATH. WE,

THEREFORE, URGE THE ARGENTINE GOVERNMENT TO REJECT ANY COURSE THAT WOULD DENY MR. MUNOZ' RIGHT TO LIFE AND LIBERTY BECAUSE OF HIS POLITICAL BELIEFS.

ALSO EXTREMELY DISTURBING TO US IS THE DISAPPEARANCE OF THE INTERNATIONALLY KNOWN FILM MAKER, RAYMUNDO GLEYZER, WHO WAS IN ARGENTINA TO VISIT HIS FIVE-YEAR OLD SON. WE URGE THE ARGENTINE GOVERNMENT IN THE STRONGEST TERMS TO INVESTIGATE HIS DISAPPEARANCE. IT HAS BEEN ALLEGED THAT MR. GLEYZER, ALONG WITH HAROLDO CONTI, IS TO BE FOUND AT THE SPECIAL TORTURE CENTER HEAR THE INTERNATIONAL AIRPORT OF EZEIZA, AND BOTH THEIR CONDITIONS ARE GRAVE. THEREFORE, WE REQUEST THAT BOTH MR. GLEYZER AND MR. CONTINEREFORE, WE REQUEST THAT BOTH MR. GLEYZER AND MR. CONTINEREFORE, WE REQUEST WHICH THEIR REPUTATION ENTITLES THEM TO, AND THAT THEY BE RELEASED, FOR THEIR LOSS WOULD INDEED BE TRAGIC.

MR. PRESIDENT, WE APPEAR TO YOUR SENSE OF HUMANITY, AND RESPECTFULLY REMIND YOU OF YOUR INAUGURAL PROMISE TO REESTABLISH A RESPECT FOR HUMAN RIGHTS IN ARGENTINA. IN ANY EVENT, WE TRUST THAT YOU WILL WANT TO INITIATE A COMPLETE INVESTIGATION INTO THE ALLEGATIONS CONTAINED HERE-IN.

CONFIDENTIAL
YOURS RESPECTFULLY, MICHAEL J. HARRINGTON, FRASER, SCHROEDER,
HARKIN, HAWKINS, BINGHAM, ABZUB, CONTI, DRINAN, FRENZEL,
KOCH, STARK, ROSENTHAL, FLOOD, SOLARZ, RIEGLE.

- 5. WE HAVE DISCUSSED LETTERS WITH CONGRESSIONAL OFFICES OF SIGNATORIES, EMPHASIZING THE INADVISABILITY OF MEMBERS OF CONGRESS WRITING DIRECTLY TO OFFICIALS (INDEED, IN THIS CASE, A HEAD OF STATE) OF FOREIGN GOVERNMENTS. THEY APPEAR SENSITIVE TO OUR CONCERNS AND APPEARED WILLING TO INFORM THE DEPARTMENT BEFORE ANY LETTERS ARE SENT IN THE FUTURE.
- 6. FYI: AS YOU CAN SEE THE LETTERS DIFFER ONE FROM THE OTHER. THEY ALL REFLECT THE INCREASED CONGRESSIONAL INTEREST IN THE HUMAN RIGHTS SITUATION IN ARGENTINA WHICH HAS BEEN STIMULATED BY THE WIDESPREAD MEDIA COVERAGE OF DEVELOPMENTS THERE, AS DOES THE VERY STRONG CRITICISM OF GOA ABUSES OF HUMAN RIGHTS WHICH SURFACED AT THE RECENT FRASER SUBCOMMITTEE HEARINGS. WE DISAPPROVE OF THE PRACTICE OF MEMBERS WRITING DIRECTLY TO OFFICIALS OF FOREIGN GOVERNMENTS AND DO NOT WANT TO ENCOURAGE FURTHER EXCHANGES AND DO NOT FEEL IT ADVISABLE THAT WE ACT AS A TRANSMISSION BELT. HOWEVER, WE DO NOT WANT TO DISCOURAGE GOA RESPONDING TO LETTERS. END FYI.

7. YOU SHOULD TELL GOA THAT THE PROCEDURES USED AND THE SUBSTANCE OF A RESPONSE BY GOA TO THE LETTERS IS A DECISION TO BE TAKEN BY GOA.

8. LETTER OF REFTEL B& C SHOULD BE DELIVERED TO FOREIGN MINISTRY WITH EXPLANATION THAT WE HAVE BEEN REQUESTED BY SOME MEMBERS OF CONGRESS TO TRANSMIT THE LETTER. ROBINSON

BT 1209 CONFIDENTIAL

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CLASSIFICATION

COLLECT CHARGE TO

FROM

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Amembassy BUENOS AIRES

CONFIDENTIAL

E.O. 11652:

TAGS: SUBJECT:

GDS

PFOR, SHUM, AR, US Congressional Letter on Anti-Semitism

ACTION:

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PPL-3 PbL/R

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MILGP SCIAT

LEGAT

Secstate WASHDC IMMED LATE

REF Buenos Aires 6547

CONFIDENTIAL BUENOS AIRES 6575

1. Embassy has just received through the mail letter to President Videla from 56 U.S. Congressmen deploring incidents of anti-Semitism in Argentina and calling upon Argentine government to do something about them. Embassy is requested to transmit letter to Videla.

2. Embassy requests instructions. Our inclination would be to deliver letter to FonMinistry with explanation that we have been requested by Congress to transmit. Does Dept concur?

CHRON

DRAFTED BY:

POL:WSSmith:cc 🔨 CLEAR NCES:

DRAFTING DATE 10/6/76

TEL. EXT. 128

CONTENTS AND CLASSIFICATION APPROVED BY:

AMB ROBERT C. HILL

DCM:MChaplin

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orders based in Italy, according to press reports. Paulinas Editions was also responsible for distributing the Latin American Bible in Argentina. The Bible was banded as "leftist and subversive" by two Argentine bishops who prchibited its GOA and Argentine Church authorities are currently studying the Bible, which sets Biblical scenes in modern-day Cuban and Latin American settings, for ideological content.

- Fourteen Paraguayan and Chilean refugees flew to Switzerland October 7.
- 4. More than two-thirds of the UNHCR's 4.3 million-dollar budget for Latin American in 1977 will go to Argentina, UNHCR sources report. The allocation for Argentina is 2.9 million dollars, which covers refugee assistance and maintenance, as well as travel and resettlement costs. Argentina has 38,000 refugees, including 28,000 Europeans, 8,000 Chileans and 2,000

Bolivians and Uruguayans, according to official UNHCR documents. (The 28,000 opeans are post World War refugees who are still receiving some UN assistance. They are 5. Orders detaining 48 persons at the disposal of the not involved in current refugee Executive were lifted October 8, according to press reports. problems, which concern politi-La Nacion published the names of another four persons detained cal refugees from neighborunder state of siege since April who were freed on October 12. ing South American countries.) Embassy sources confirm that state of siege prisoners are being released in a steady stream as security officials complete their investigations. Others are turned over to military tribunals for trial and sentencing. Three left-wing

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extremists were sentenced on October 8 to up to 18 years' imprisonment for possession of firearms, explosives and other offenses. Those who are sentenced to prison terms are being removed from Buenos Aires and sent to provincial prisons, sources say.

- Seven Federal police were dismissed for offenses including robbery, unlawful use of firearms, injuries to others and the shooting of four persons in a local train, according to a government decree published October 11. Although such cases are rarely reported in the press, Embassy sources report that a significant number of police have been quietly punished or fired (or in some cases even eliminated) in recent weeks. According to these sources, Federal Police Chief Ojeda and other military officer supervisors are slowly but steadily weeding out undesirable and undisciplined elements from the federal and provincial police forces, including some who have been responsible for Triple-A type activities, kidnappings, robbery and physical brutality. Many of those guilty of violence and petty crime were elements brought into the police force toward the end of the Peron administration, sources report, who used the anti-terrorist effort for personal gain and to settle private scores. (Embassy sources say that a highranking police officer implicated in the Pilar massacre has been put "on leave," which means at least temporarily suspended.)
- 7. Moderate Argentines have been particularly stung during

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recent USG scrutiny of GOA security practes by the implied and overt comparison of their country with Chile. While not necessarily sympathetic toward the Chilean people, many Argentines reject both Pinochet's image as a strongman military dictator and the repressive tactics of his government. Moderates are quick to point out fundamental historical, political and social differences between the two countries. They also make a definite distinction between the circumstances that led to the Chilean coup in 1973 and those that forced a military takeover in Argentina in 1976. Moreover, they claim there are vast differences in attitudes and actions on the part of the two military governments.

8. In a report October 6, <u>La Opinion</u> traced what it called basic differences between the Argentine and Chilean positions contrasting quotes from GOC's "Declaration of Principles" with public statements made by ranking Argentine officials on a number of topics. Some of its major points were:

On democracy-- Argentina: The final objective of the current reorganization process is the reimplantation of an authentically representative, republic and federalist democracy in Argentina.

Chile: As long as the principles of democratic-liberal regimes exist, the conditions for Marxism exist: chaos, division, anarchy, party conflict, etc.

On political parties -- Argentina: The Armed Forces have

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repeatedly anticipated the eventual development of authentic movements of national opinion.

Chile: Since the French Revolution, political parties have been the instrument of corruption and destruction. Carried to its extreme, but logical, end, the system leads to civil war.

On human rights--Argentina: Respect for human rights is the result of our profound Christian belief in the dignity of man. (Note: This may not be lived up to, but at least it is a stated principle in Argentina whereas in Chile it is not.)

Chile: Rights are relative with respect to social necessities. Rights, such as that of life, are not absolute.

On foreign relations--Argentina: Argentina seeks solid contacts with all countries and greater participation in international fora, while rejecting any kind of hegemony or intervention in internal affairs of another state.

Chile: The campaign to isolate Chile is partly to hide the human rights violations of the USSR. If the U. S. chooses to ally itself with the Soviet Union, Chile has the same right to confront its adversaries.

9. Some of the differences may be more a matter of wishful thinking on the part of Argentine moderates who fervently hope that moderate forces in GOA will prevail over what well could be a Pinochet-style hardline position. Although they have

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been united in condemning the Fraser subcommittee's invitation of leftist Argentine fugitives to testify on GOA's security practices, moderates are nevertheless concerned that GOA avoid Chilean-style defensiveness and confrontation with the U. S. Argentina, writes La Opinion columnist Mario Diament, does not have to choose between isolationism and submission (to outside pressures). GOA can take a lead from Israel, suggests Diament. "Despite pressure from its allies, the Israeli government conducts its war against terrorism as it sees necessary. But, at the same time and with the same efficiency, it maintains an ongoing campiagn in international fora, clarifying its motives, responding to criticism and appealing to world sympathy."

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CONTROL 6712 14 Oct 76 1125 COLLECT CHARGE TO FROM CLASSIFICATION Amembassy Buenos Aires E.O. 11652: GDS CVIS, SHUM, PFOR, AR, US TAGS: Fraser Subcommittee Witnesses SUBJECT: ACTION: **建筑建筑** SecState WASHDC SECRET BUENOS AIRES 6742 (A) State 250024; (B) Buenos Aires 6490; (C) Buenos Aires 5298; REF: (D) Buenos Aires 6373; (E) Buenos Aires 6396; (F) Buenos Aires 6611 We believe that Department's consultations with Fraser subcommittee can be helpful in producing objective view of AMBDCMArgentine human rights situation. However, to hold a second POL-POL/R ECOM round of hearings expressly for witnesses "who support GOA's USI\$ position" (reftel A), as we see it, misses the point altogether. USDÃO MILGP-2 LEGAT Witnesses should be as objective, conscientious and well-SCIAT informed as possible. A session with blatantly anti-GOA 1412 CHRON ideologues cannot be "balanced out" by another with pro-GOA apologists. There are many persons deeply concerned with human rights in Argentina who are not openly hostile to GOA. Columnist Nor, as conservative BA Herald Communist James Neilson points out in Sunday's edition (October 10), do all critics of the government's action belong to left wing. CONTENTS AND CLASSIFICATION APPROVED BY: DRAFTED BY: DRAFTING DATE TEL. EXT. POL: YThater:mg POL: WSSmith 10/13/76 121 CLEARANCES: - AMB: RCHill POL/R:JSears (in draft) DCM: MChaplin

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OPTIONAL FORM 153 (Formerly FS-413) January 1975 Dept of State 2. There are responsible and reputable Argentines willing to testify on the Argentine human rights situation. Jacobo

Timerman, for one, axfairly remark are the characters, a Jew, and a courageous and critical newspaper publisher, has offered personally to testify (reftel B). Another possibility is

Emilio Mignone, a prominent educator and former OAS official in Washington from 1962-67. Mignone's daughter was abducted in May. He is closely connected to the Catholic hierarchy in Argentina and is a member of the Permanent Assembly on Human Rights and yet cannot be considered either a leftist or rightwing apologist. Well-known columnist Mariano Grondona could also be considered. Grondona was kidnapped by the Triple A in August (reftel C).

3. As for Garzon Maceda and Gustavo Roca, the Argentine govern

3. As for Garzon Maceda and Gustavo Roca, the Argentine government, press, opposition parties and general public have been thorough in denouncing their background and activities. In addition to

Embassy sources. In our judgment, which is based on info from the above, it is clear that both have had a long and close connection to subversive groups and activities. Instead of cabling full text of bio information given to the Ambassador, we will summarize salient points of our own evaluation:

4. The material on Gustavo Roca shows conclusively that he was a member of the Communist Party and was closely linked to

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terrorist groups. Gustavo Roca's record goes back to 1944 when he was first investigated for Communist connections. He was a member of the Popular Movement for Peace, a Communist organ, in the late 1940's and was listed as a main leader of the Argentine Communist Party of Cordoba in 1955. In 1957 he was arrested for subversive activities. In 1970, Roca reportedly was a member of the Revolutionary Worker's Party (PRT), the Trotskyite "political arm" of the ERP. By 1972 he was reported to be a leader of the August 22 splinter faction of the ERP, and director of its publication "Liberation." He apparently handled ERP funds, including the "laundering" of some X million in ransom for Esso Director Victor Samuelson in 1974. Roca traveled frequently to Cuba, most recently in 1972 when he reportedly coordinated the escape to Cuba of ERP leaders after the Trelew break from Rawson Prison that year. The information on Garzon Maceda identifies him with the Communist Party (PCA) and with left-wing subversive groups. Garzon Maceda was reportedly expelled from the Socialist Party in 1959 for his Trotskyite views. He was arrested and jailed for crimes against "national security" in 1970. A lawyer, he shared a law office with Gustavo Roca for many years in Cordoba, where he also was prominent for defending left-wing extremists. Like Roca, Garzon Maceda has been reported to be a member of the PRT (the political arm of the ERP).

6. The military government issued arrest warrants for both

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Gustavo Roca and Garzon Maceda when it took over in March.

Apparently both men were in hiding in Argentina until early

September when they left clandestinely for Europe. Argentine
authorities claim they were in contact with the Revolutionary

Coordinating Junta (JCR) while in Europe.

- 7. Both men have been well known for their extreme leftwing sympathies and activities long before the hearings and
 non-governmental opinion in general regards them as committed,
 militant Marxist extremists with close ties to the ERP. The
 press here has particularly criticized the subcommittee's
 selection of witnesses as irresponsible and biased as these
 (reftel F). Robert Cox of the BA Herald, a courageous exponent
 of human rights in Argentina, for example, on October 9 described Roca as the editor of a "scurrillous magazine which
 jubilantly reported assassinations" and Garzon Maceda as
 "another apostle of violence." With witnesses like these,
 Cox adds, "it's not difficult to see why 'human rights'
 crusaders have gotten themselves such a bad name."
- 8. Garzon Maceda's brother Felix, a teacher in Cordoba, issued a statement October 6 repudiating his brother's testimony and disassociating himself from his brother's ideology and politics.
- 9. On balance, Argentine governmental and moderate public opinion has been deeply concerned and distressed over what appeared to be betantly biased and non-objective testimony

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presented by Argentine witnesses called by committee. This has made more difficult our task of convincing GOA that human rights concern in U. S. is not simply Marxist plot to discredit government. Recommend that Department encourage Fraser subcommittee to call a few Argentines who, while deeply committed to defense of human rights, are not so identified with radical left as to lack all credibility as witnesses.

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E.O. 11652:

TAGS: SUBJECT:

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Ministry of Planning Created by GOA

ACTION:

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By Law 21,431 promulgated October 5, GOA has established new Ministry of Planning, a project which has been widely expected and commented upon. This action is only first step, authorizing Ministry and setting out in very general terms its authority and responsibility. No Minister has yet been named, and a period of 180 days is stipulated in the law for presentation to the Executive of elaborated plans for the Ministry's organization, budget, staffing, etc.

- It is general understanding in press and in informed circles that Minister will be appointed shortly and that he will be Major General Ramon Genaro Diaz Bessone, presently Commander of II Corps with headquarters in Rosario.
- Principal purposes of new Ministry will be to advise President in all matters of national planning, implement national (governmental) policies, establish system of

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national studies, planning, and related information distribution, coordinate and supervise planning processes of all national and provincial governmental organisms, propose means of implementing plans, evaluate results, develop mechanisms and organs needed for implementation of plans, and review and adjust all other coordinating mechanisms in Federal and local government to bring them into conformity with national planning system.

- 4. New law contains article which by implication establishes new Minister as senior Cabinet officer, placing him ahead of Min of Interior, who has until now been next in line to replace President during latter's temporary absences (when out of country, ill, etc.). Press and informed observers agree that purpose is to permit Diaz Bessone, who is senior in military rank to Min of Interior General Harguindeguy, to maintain seniority in civilian position.
- 5. Comment. New law is drawn in such general and vague terms that it is impossible to determine precisely how Ministry will function, what control it will have over other Ministries, and what degree of influence and authority new Minister will have. This is quite normal indrafting of such laws in Latin America, and we must await availability of the implementing regulations and the experience of practice before being in a position to answer the key questions in the minds of most observers: just how powerful and independent

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Page 3 of 66/6

will Diaz Bessone be, and how will the new Ministry affect
the vital area of economic policy under its present quite independent "Czar" Martinez de Hoz? Pending developments, we
can only note that position as now so imprecisely defined in
new law has enormous inherent powers if exercised by a strong
Minister, and that no one has ever suggested that Diaz Bessone
lacks initiative, strong character, and leadership qualities.

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Human Rights Round-Up No. 3

LIMITED OFFICIAL USE BUENOS AIRES

ACTION:

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Buenos Aires 6309

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1. GOA has in recent weeks released more than 300 persons whom it found innocent of subversive connections, reported La Opinion October 3. La Opinion noted that the government had made no official announcement, in keeping with its policy of not releasing the names of those detained by the Executive, since such information might be useful to subversive groups. La Opinion further reported that GOA would continue to release innocent persons as it completes its investigations. (At a press conference September 19, Interior Minister Harguindeguy declared it was his policy not the release the names of those detained under state of siege even though he claimed to have the exact number and all background information on each case. The BA Herald on September 26 again appealed to the government to release the

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names as a "definite step toward restoring law and order.")

- 2. Chilean citizen Guillermina Alicia Gavilan, who had been detained under state of siege, left for London September 28. Argentine citizen Liliana Nazario, subject of much human rights correspondence, was released from jail September 22 and is now vacationing in Santiago del Estero with her relatives.
- 3. Sixteen Chilean and Uruguayan refugees left for Geneva and Paris under UNHCR auspices October 1.
- For the second time in five months, a federal judge ruled that the Constitutional right of persons detained under state of siege to opt to leave the country is in force. In ruling on a writ of habeas corpus, Judge Eugenic Zaffaroni gave the Executive Branch 20 days to release 66-year-old Pablo Alfredo Piza, who has been held without charge since last November. The Federal Prosecutor immediately appealed the decision to the Supreme Court. In an earlier case last May, a different judge ruled that the option was in force because, although it had been suspended by the Junta in March, it was mentioned in a subsequent revision of the penal code. (That ruling was also appealed to the Supreme Court, which has yet to hand down a judgment.) In his later decision, Zaffaroni used the same argument and added that prolonged detention was contrary to the principles of the Catholic Church (official religion of Argentina) and the UN's universal Declaration of Human Rights

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to which Argentina is party.

- 5. President Videla hosted a widely-publicized ecumenical luncheon September 29 for religious leaders of ten different faiths, including the Catholic, Jewish, Islamic, Russian and Greek Orthodox. The churchmen later said that all problems facing the country were fully and frankly discussed. Rabbi Benhamu Anidjar said after the meeting that he hoped "the peace and understanding we found at the President's table are a reflection of what is to come for Argentina."
- 6. A group of prominent Argentine writers asked President Videla to intercede on behalf of an ailing Argentine writer, Antonio Di Benedetto, who has been detained without charge in Mendoza since March 24. The letter, published in La Opinion October 5, said Di Benedetto was suffering mental and physical deterioration after being held incommunicado for more than six months.
- 7. In a rare reported case of legal action taken against the "police for "excessive violence," five policemen were arrested in Cordoba on September 23. They were charged in the deaths in in two persons linked to the drug trade who were kidnapped July 17 and later turned up shot to death in a field.
- 8. Two young children of an extremist couple killed in a recent shootout with security forces were kidnapped from a hospital September 23, according to an army communique. The communique stated that it was the military's policy to restore

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orphans of extremist victims to relatives for adoption. The two children have not yet been found.

- 9. A Montonero extremist convicted of murdering a policeman was sentenced to "indefinite reclusion" by a court martial in Cordoba September 27. Two other Montoneros were xx sentenced to from four to ten years for illegal possession of firearms and other offenses.
- The Buenos Aires press has been highly critical of last 10. week's congressional hearings on the human rights situation in Argentina, most attributing the USG's "sudden new interest" in human rights to the international leftist campaign to discredit the country or/irresponsible US election year politicking. Reflecting the strongly-held Argentine belief that its battle against subversion is a fight against an international Communist threat, La Nacion October 3 said that paradoxically, instead of assisting its friends against such a threat, the USG is now acting in such a way as to favor its Communist It blamed "pro-guerrilla influences" for the recent anti-Argentina attitude/the US congress and said it was inconceivable that something as important as the security of the continent should be taken advantage of as a "transitory election issue." La Prensa the same day rejected the KENNNIKKERE committee's right to "sit in judgment of a sovereign country" and declared outright that "whoever reproaches the Argentine government defends extremism."

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Even those newspapers that have been the most outspoken in repudiating violence and human rights abuses in Argentina objected to what they labeled as inconstructive and insensitive meddling in Argentina's internal affairs. The BA Herald, in its October 2 editorial, charged that human rights campaigns, instead of helping governments totackle terrorism and protect innocent victims of guerrilla warfare, generally only succeed in making things worse. Argentina, it said, had no need of commissions outside the country "either to protect us or try and exploit us." Observing that what was at stake was some 48 million dollars in US military aid, Herald Columnist James Neilson the next day was even more biting: "That the (Argentine) military government should expose itself to such humiliations over such a piddling sum is rather incredible -- perhaps it should be returned with a note recommending it/spent on victims of US neglect in Detroit (whose violence rivals our own)."

12. The press expressed outrage at the selection of such long-time Communists as Gustavo Roca and Garzon Macedo, and other clear who hostile witnesses, to testify at the Fraser hearings.

"Such action clearly throws into doubt the good faith of those responsible," observed La Nacion. La Opinion yesterday

EXEMPLEMENT

Cotober 5 noted that not one State Department official, not even the American Ambassador to Argentina, had been called to testify. (IA Editor Jacobo Timmerman himself)

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Page 6 of 66/

wrote Rep. Fraser on September 29 warning against the danger of one-sided witnesses and himself asked to be called to testify.)

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SUBJECT:

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Human Rights Observance Report

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SECRET BUENOS AIRES 6494

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Following is submitted in response to reftel. Reftel was received noon, Sept 29 with indication that Embassy should respond by COB Sept 30. Here it is. Response is in four parts:

AMB-DCM

Summary;

POL-3 POL/R ECON

Embassy's Comments on Report Prepared by Department; 2.

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CHRON

Steps Taken by Embassy to Advance Respect for Human Rights 3. in Argentina;

Update of Embassy's Overview of Human Rights Situation

SUMMARY: Embassy is in basic agreement with report on human rights prepared by Department in response to Congressional request. Embassy has consistently -- even before March 24 change of government -pressed issue of human rights observance to GOA. Approaches have been made at all levels and have included series of approaches

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since March on part of Ambassador to top levels of GOA.

Despite these approaches and despite recent release of detained American citizens, Embassy is not optimistic regarding significant improvement in human rights situation in Argentina.

Begin Text:

A. Political Situation. Argentina is the most politically violent country in Latin America today. Historically, modern violence in Argentina dates to the late sixties and the formation of the People's Revolutionary Army (ERP) and the Montonercs, both Marxist organizations dedicated to the overthrow of the government via a war of liberation. These organizations worked closely with Marxist guerrillas in Uruguay, Chile and Bolivia.

When guerrilla organizations were defeated or ousted in these three puntries, many of their members fled to Argentina, beginning in the early 1970s with the defeat of the Tupamaros in Uruguay. In the three years of the Peronist administration (1973-76) preceding the March 24 coup that brought General Jorge Rafael Videla to power, over 2,000 Argentines died

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as a result of left and right-wing terrorism. Since the coup, political violence has claimed at least 1,000 lives.

Serious mismanagement of the economy under Peron contributed to the climate of political instability in Argentina and vice versa. At the time of the coup, the consumer price index was increasing at a 566 annual rate with a rising trend, there was deepening recession, and an external payments crisis threatened an Argentine default on foreign debts.

The new government's first priorities were to contain inflation, refinance the foreign debt and fight leftist terrorism, the latter perceived as the greatest threat to the government's economic and political plans. In this climate, right-wing terrorism grew at an alarming rate. While Argentina's immediate economic problems are being dealt with, recession and labor discontent over falling real wages continue.

The security forces have taken strong action against leftist terrorists, killing hundreds and arresting thousands. It is clear that counter or right-wing terrorism, which first appeared under Peron in 1974, has involved elements of the Argentine security forces. Whatever Videla's personal views and wishes may be (and he has promised to respect human rights), effective steps to control this kind of terrorism have not yet

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been taken. Under Peron, right-wing terrorists attacked the regime's political opponents as well as terrorists on the left. Since March 1976, a wide spectrum of leftist and progressive individuals, and even ordinary citizens, have been victimized, including priests and foreign political refugees.

Leftist terrorism dates to 1969 and has been responsible for hundreds of political assassinations and kidnappings. Policemen, military personnel, and businessmen have often been shot at random. In 1975, the consular agent in Cordoba, John Patrick Egan, was murdered by leftist terrorists, while USIA officer Alfred Laun narrowly escaped death in the same city.

B. <u>Legal Situation</u>. The Argentine Constitution of 1853 is technically in effect, but, in practice, the decrees and laws the military promulgated by \(\frac{1}{2} \) \(\fr

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have recourse to trial eventually or be released. The State of Siege has been in effect since November 6, 1974.

- C. Observance of Internationally-Recognized Human Rights.
 - Integrity of the Person:

Article 3: Life, Liberty and Security of the Person. This Article is violated regularly by elements of the GOA security forces, whether operating in an on-duty or off-duty status. Their method of operation is well known: civilian clothes, movement at night in unmarked cars, kidnappings, torture and even murder. There are no statistics on #14/4/4/ they have committed ₩ing atrocities/but the number of victims is in the hundreds and includes many foreign refugees.

In the most notorious episode, on August 20 thirty leftist prisoners were executed / in part as a retaliation for the murder of General Actis and in part as a warning to leftist extremists before anticipated actions to mark the anniversary of the Trelew massacre of 1972. The government condemned the mass murder as a "barbaric episode," although there is no doubt that the GOA's own security forces were responsible.

> Article 5: Torture, Cruel, Inhuman, Degrading Treatment or Punishment.

Torture is undoubtedly used by the security forces to extract information from/prisoners, particularly suspected or proven terrorists. Once they are actually "booked," however, prisoners apparently receive more or less reasonable treatment.

Article 9: Arbitrary Arrest, Detention or Exile.

The security forces have detained numerous persons for investigation and questioning under the provisions of the State of Siege or other laws, e.g., arms control laws.

Some are held indefinitely but others are freed after a short time and still others passed on to the procedures of the regular courts or to military courts martial when this is prescribed by law. An estimated 3,000 to 5,000 persons are now detained under the provisions of the State of Siege. The Argentine government has released no total or list of those detained, and as various individuals are released others are detained; hence, it is impossible to determine how many prisoners are being held or for how long.

Article 11: Fair Trial.

Argentine courts function normally in most cases. The exception applies to individuals held under the State of Siege. Some of these are freed, some passed on to the procedures of the regular courts, others to courts martial and still others held without charges or acknowledgment of their detention. Right-wing intimidation of lawyers and judges makes it very difficult for prisoners accused of subversion to receive a "fair trial," (in the few cases in which there have been trials). Before March, it was the left wing which threatened court officials thereby influencing decisions.

2. Other Important Freedoms:

Article 18: Thought and Religion.

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Anti-Semitism, a recurrent problem in Argentina for decades, was recently manifested anew by right-wing attacks against Jewish synagogues and shops. There have been no reports of deaths or injuries as a result of anti-Semitic incidents. The GOA has condemned such actions and moved to ban anti-Semitic literature.

Article 19: Expression and Cpinion.

Some right-wing and left-wing extremist publications in Argentina have been banned by the Videla government. This includes Marxist as well as anti-Semitic literature. The Argentine press is required to exercise self-censorship, and is specifically prohibited from mentioning terrorist and anti-terrorist operations unless officially authorized by the government. On August 21, the Argentine Newspapers Owners Association, representing over 100 editors and publishers, complained to President Videla about press restrictions. There is, nevertheless, criticism of human rights abuses in the Argentine press. Few journalists have suffered arrest and only for short periods. Foreign correspondents file their stories freely.

Article 20: Assembly.

Upon t king power in March, the military Junta dissolved the parliament and banned political and labor activity. Some labor unions were intervened and, on September 8, a law was passed providing up to ten years in prison for strike organizers.

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D. Available Non-USG Human Rights Reporting by Multilateral and Non-Governmental Organizations and Media. Many organizations, including Amnesty International, have denounced human rights violations in Argentina. However, comprehensive reports on the situation in Argentina since March 24,1976 are not yet available.

IN ARGENTINA: The Embassy made the military aware of the USG's concern with respect for human rights even before the change of government in March. In a conversation before the coup took place, the Ambassador took up the human rights issue with Navy CINC Massera and was assured that "if it took power" the military would scrupulously respect human rights. As an indication of Massera's military's early awareness, President Videla himself was careful to assure the Argentine public and international observers shortly after the coup that human rights would be fully observed.

Since March the Embassy has constantly stressed to the GOA the potential danger to US-Argentine relations if the GOA did not adhere o a policy of respect for human rights. The Ambassador has frankly and frequently discussed this issue with such top-ranking officials as President Videla, Interior Min Harguindeguy, Foreign Min Guzzetti, and Economy Min Martinez de Hoz. (Reports of these approaches are on file with the Department. Most are classified secret,

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Exdis or Limdis. We leave it to the discretion of the Department as to whether or not they should be referred to in a report to Congress.) In addition to the Ambassador's approaches, Embassy officers at all levels have taken every opportunity to express US concern over human rights and possible consequences with their colleagues and contacts in the govt and with religious, professional and business leaders. Human rights has been a recurring topic at both social and official gatherings. Economic Counselor has discussed human rights at periodic meetings with prominent Argentine businessmen and officials of the Economy and other ministries. In an Aide Memoire to the Foreign Ministry Sept 23, the Embassy reviewed the specific US legislation which makes the provision of economic, developmental and security assistance dependent on the recipient govt's observance and practice of internationally-recognized human rights standards. Texts of the pertinent provisions of the new security assistance legislation and the Harkin amendment were also supplied to the FonMinistry. Visiting Department officials, including ########## Robert Zimmermann, Fred Rondon and Jim Buchanan have conveyed firsthand or been presen, when Emboffs conveyed to GOA officials US concern over human rights abuses.

Besides its representations in cases involving American citizens, Emboffs have frequently made informal inquiries to FonMinistry

officials on behalf of missing and arbitrarily detained non-US citizens, such as the five seminarians arrested with Father Weeks in Cordoba, Juan Mendez, Liliana Nazario and Jacobo Tieffenberg, the last two of whom were subsequently released. (These cases have been reported and are on file at the Department.) In these necessarily unofficial efforts, Emboffs have emphasized the personal concern expressed by members of Congress.

UPDATE OF EMBASSY'S OVERVIEW OF HUMAN RIGHTS SITUATION: Our last general summary and judgment on human rights situation in Argentina was submitted one month ago, in Buenos Aires 5637. At that time, we were in hopes that the highest levels of the GOA-might soon be in a position to begin to get the human rights situation in hand. Among other things, sanctions had been promised against those responsible for the mass murder at Pilar, and President Videla seemed to be moving to consolidate his position against the harder liners. Such hopes now appear forlorn. Detained Americans -- Father Weeks, Gwenda Mae Loken, and Patricia Erb--have either been released and expelled or/in the process of so being. This indicates a greater responsiveness on the COA's part to our demarches concerning American citizens (probab y flowing from the dawning realization that unresponsiveness could seriously jeopardize Argentine relations with the US). We do not see any such responsiveness, however, in terms of the overall human rights situation. No significant measures

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have been taken to curb excesses on the part of the security No sanctions were taken against those responsible for the Pilar massacre. On the contrary, it is clear that there was relatively high level authorization for those killings.

Finally, the shifts in the military, which were originally designed to contribute to the consolidation of Videla's position, are now expected to produce nothing of the sort. Indeed, they may not even materialize for another several months. Rather, than improvement, what is seen increasingly is that Videla is either unwilling or unable to curb excesses on the part of the security forces. Nonetheless, in the view of the Embassy, and, indeed, of the GOA's internal critics, such as the UCR, hierarchy Catholic winners and even Bob Cox of the Buenos Aires Herald, there is no better alternative to the Videla government.



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FROM

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E.O. 1652:

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Congressman Harkin's Letter to President Videla

IMMEDIATE Secstate WASHDC

CONFIDENTIAL BUENOS AIRES 6426

1. When I went to airport last night/to see off FonMin Guzzetti,

he told me that President Videla had that day received copy of a letter addressed to him from Congressman Harkin. He said

letter, dated September 7, had been sent to Argentine Embassy

in Washington which received it a few days later, and being uncertain

as to what to do with it, did not put it into the diplomatic pouch

until Sept 15. According to Guzzetti, letter is very hard on

Argentina in terms of human rights violations. Guzzetti said

President Videla wishes to respond but is perplexed as to how to

do so, and is not certain that it would be correct for him to

make a direct reply to a member of the United States Congress.

Indeed, Guzzetti indicated GOA was puzzled since they had

believed it was the Executive Branch of the U.S. Government

which handled U.S. foreign relations; hence, they wondered if

letter did not in a sense violate Constitutional norms in the U.S.

DRAFTED BY POL:Willhith:cc

DRAFTING DATE 9/30/.76

TEL. EXT. 128

CONTENTS AND CLASSIFICATION APPROVED BY:

AMB: RCHill

AMB: RCHill

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Guzzetti indicated President Videla would appreciate our advice as to what he should do with the letter.

- 2. I indicated to Guzzetti that we it would not be feasible to give such advice without having seen the letter. Guzzetti suggested that I ask FonMinistry for a copy, and I have done so this morning.
- 3. Guzzetti indicated he would be staying at the Waldorf Towers and looked forward to seeing Secretary Kissinger, other officers of Department of State and other agencies of U.S. government.
- 4. I would appreciate any comments the Department may have on the Harkin letter. I will transmit substance of the letter when we have a copy in hand.

HILL

COMPTOTATA

CONTROL: 6396 29 Sep 76 OFSIATE INDICATE COLLECT CHARGE TO CLASSIFICATION CECRET AMEMBASSY BUENOS AIRES XGDS-2 (IMPOSSIBLE TO DETERMINE DATE OF AUTOMATIC DECLASSIFICATION) E.O. 11652: CVIS, SHUM, AR (GARZON MACEDA AND GUSTAVO ROCA) TAGS: VISAS FOR GARZON MACEDO AND GUSTAVO ROCA, WITNESSES FOR SUBJECT: CONGRESSIONAL HEARINGS OF CONGRESSMAN FRASER'S SUB-COMMITTEE ACTION: SECSTATE WASHDC IMMEDIATE INFO: AMEMBASSY PARIS IMMEDIATE AMEMBASSY LONDON PRIORITY AMEMBASSY ROME PRIORITY -SECRET BUENOS AIRES: 6396 (A) STATE 235506 (B) SWIFT-CONNETT TELECON (C) STATE 239312 REF: (D) PARIS 28425 (E) BUENOS AIRES 6373 1. IN VIEW OF SERIOUS DEROGATORY INFORMATION DEVELOPED ON GUSTAVO AMB¹ DCM ROCA DPOB OCTOBER 8, 1924 IN CORDOBA, (PARAGRAPH 2 REFTEL E) A POL POL/R FURTHER EMBASSY FILE CHECK WAS MADE SEPTEMBER 29 ON LUCIO GARZON LEGATT MACEDO WITH SPECIFIC DPOB NOVEMBER 12, 1930 IN CORDOBA AS CHRON FURNISHED IN PARIS REFTEL (D). THIS SECOND EMBASSY FILE CHECK REVEALED HIGHLY DEROGATORY INFORMATION ON A LUCIO CLAUDIO GARZON MACEDO WITH SAME DPOB AS REFLECTED ABOVE FOR LUCIO GARZON MACEDO. THIS MEMORANDUM DATED SEPTEMBER 29, 1976 IS QUOTED BELOW IN ITS ENTIRETY INDICATING THAT GARZON MACEDA WAS AN ACTIVE COMMUNIST. DRAFTED BY: DRAFTING DATE TEL. EXT. CONTENTS AND CLASSIFICATION APPROVED BY: CONS: MSherman: eg 9-29-76 210 CONCEN: COHUEXX DCM:MCHA! LIN CLEARANCES: POL: WSmith CONGENIZACHUE y POL: YThaver POL/R: DShber Of LEGATT: RWScherrer OPTIONAL FORM 153

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Formerly FS-413) January 1975 Dept. of State A LAWYER BY PROFESSION WHO SHARED A LAW OFFICE TOGETHER WITH
GUSTAVO ROCA, APPARENTLY THE SAME PERSON DESCRIBED IN PARAGRAPH
2, REFTEL (E).

E025x1

3. AS BOTH GARZON MACEDA AND GUSTAVO ROCA ARE SCHEDULED TO BE WITNESSES FOR CONGRESSMAN FRASER'S SUB-COMMITTEE HEARINGS IN WASHINGTON, D.C., THE INFORMATION CONTAINED HEREIN SHOULD BE CONSIDERED IMPORTANT IN ORDER TO DETERMINE THE OBJECTIVITY OF THE STATEMENTS WHICH WILL PROBABLY BE MADE BY THESE TWO

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FORM 4-68 FS-413A CONTINUATION SHEET

WITNESSES ALREADY IN THE UNITED STATES.

E025x1

4. WE HAVE ALSO BEEN INFORMED THAT

ADDITIONAL INFORMATION ON RUDOLFO PUIGGROS AND JUAN GELMAN

(REFTEL A), BOTH OF WHOM ARE REPORTEDLY EX-MEMBERS OF THE

COMMUNIST PARTY AND HAVE LIVED OUTSIDE ARGENTINA IN RECENT

YEARS.

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FORM 4-68 | FS-413A CONTINUATION SHEET

Declazzified 10-24-2013	CONTROL: 6373	
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· LEGATT CON	EMBASSY FILES HAVE BEEN CHECKED AND WE HAVE FOUND DEROCATORY	
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•	SHOULD THEY APPLY AT POST	
	2. CONSULAR FILES INDICATE A DEROGATORY RECORD ON	
	GARZON MACEDA AKA CEREFINO BERNARDO GARZON MACEDA, ARGENTINE	
	CITIZEN, BORN AUGUST 20, 1895 IN CORDOBA, AND ISSUED CATEGORY	
o.	I RO FUSAL ON OCTOBER 6, 1961 BASIS 212 (A) (19) and (28). ON	
	SAME-DATE OF VISA REFUSAL CEFERINO BERNARDO SARZON MACEDA PRESENTED	
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Page 2 of FIVE 637

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1. Embassy files show no derogatory information on Lucio Garzon Maceda. One Ceferino Bernardo Garzon Maceda DPOB Cordoba 20 August 1895 refused 1961 category 1 basis 212 (A) (19) and (28). May be relative.

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2.4	TURPE IS NO C	ONSULAR FILE ON A	PERSON NAMEI	GUSTAVO RO	CA.
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LIMITED OFFICIAL USE USUN 3977

E.O. 11652: N/A TAGS: SHUM, SREF SUBJECT: HUMAN RIGHTS--ARGENTINA

1. THE MISSION OF ARGENTINA ADDRESSED A COMMUNICATION DATED SEPT/7 TØ ALL UN MISSIONS ANNOUNCING A RECENT GOA DECREE AMENDING THAT GOVERNMENT'S IMMIGRATION REGIME FOR "HUMANITARIAN REASONS." A COPY OF THE COMMUNICATION IS BEING POUCHED TO IO/UNP HEWITT.



2. IT APPEARS THAT THE GOA IS TRYING TO AVOID POTENTIAL CRITICISM OR EVEN AN ANTI-ARGENTINA RESOLUTION AT THIS SESSION OF THE GA SIMILAR TO THE ONE RECENTLY ADOPTED BY THE HUMAN RIGHTS SUB-COMMISSION ON THE PRE-VENTION OF DISCRIMINATION AND PROTECTION OF MINORITIES. SCRANTON BT

MNNN

#39**7**7 .

TESTIMONY

OF

BURTON S. LEVINSON

CHAIRMAN, LATIN AMERICAN AFFAIRS COMMITTEE

ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH

OI

ANTI-SEMITISM IN ARGENTINA

BEFORE THE

SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS

COMMITTEE ON INTERNATIONAL RELATIONS

HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 1976

NW 52968 DocId:32735130 Page 76

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Mr. Chairman, Members of the Committee, my name is Burton S. Levinson and I am the Chairman of the Latin American Affairs Committee of the Anti-Defamation League of B'nai B'rith. I am accompanied this afternoon by Rabbi Morton M. Rosenthal, the Director of the League's Latin American Affairs Department.

The Anti-Defamation League was founded in 1913 as an official arm of B'nai B'rith, a service organization of Jews created in 1843, to advance good will and mutual understanding among people of all creeds and races, and specifically to combat anti-Semitism and anti-Jewish activities. Among its many activities directed to these ends, the ADL, through its Department of Latin American Affairs, has maintained for more than a decade a continuing relationship with Latin American Jewish communities and with other organizations, Jewish and non-Jewish, which are interested in that region. As chairman of the ADL Latin American Affairs Committee I have visited Argentina and other Latin American countries on various occasions.

We appreciate, Mr. Chairman, your invitation to appear before this body, together with representatives of the Catholic community, to present our views on the human rights situation in Argentina, with particular reference to anti-Semitic activity. Our testimony is based upon the independent findings of the league, which routinely monitors anti-Semitic activity throughout the world. It is also based upon press and government reports reaching this country. Accepting without verifying on the ground the authenticity of the information, we nonetheless regard it as part of our responsibility to speak, even if unasked by Jews in Argentina, on the plight of Jews in that country.

Through historic experience, the world has learned that Jewish people often serve.

as a moral barometer, the status of Jews reflecting the moral climate of the society in which they live. This is due to the fact that Jews are often the initial target chosen by destructive forces which ultimately endanger nations and world peace. We, therefore, understand the interest and concern of this committee, stimulated by the proliferation of Nazi literature and record levels of anti-Semitism during this period of great sociel and political turmoil in Argentina.

The number of Jews in Argentina has for long been estimated to be 500,000, but a recent demographic study indicates that the figure may be closer to 400,000. In either case, it is the largest Jewish community in Latin America and one of the largest centers of Jewish population in the world. Argentine Jews enjoy full and equal rights of citizenship and have made significant contributions to their country's development, in all spheres of activity.

The amount of anti-Semitic activity to which the community is exposed fluctuates, with peak periods often coinciding with unstable political conditions. Thus, in 1966, subsequent to the military coup led by Gen. Juan Carlos Ongania, there was a sudden surge in anti-Semitism which produced feelings of uneasiness in the Jewish community. This was widely reported in the world press and was the subject of a study by the Anti-Defamation League.

A marked increase in anti-Semitic activity began about 18 months ago and it has remained at an unusually high level since. A report on anti-Semitism, published in Argentina in May, 1975, said that the escalation of such activity in the preceding two-month period had "exceeded all that previously known." In recent months, it escalated again, as the cities were flooded with Nazi literature as the number of bombings and shootings directed against Jews grew more menacing.

Mr. Chairman, I offer at this time several documents which contain information on anti-Semitism in Argentina. One is a compilation of incidents during an eighteen-month period, from May, 1975, through September, 1976. The other two are articles by Rabbi Rosenthal, which were published in June, 1975, and August, 1976. These documents do not represent an exhaustive treatment of the subject, but they should serve to portray the nature of the problem.

They document an organized campaign, designed to discredit and intimidate the Jews of Argentina. A primary objective of the campaign is to persuade the Argentine public, and officials in key sectors, such as the military forces and

labor unions, that Jews are a threat to the economic, social and political life of the country. To achieve this objective, a massive propaganda effort has been launched, utilizing all arms of the media.

To illustrate, the Argentine public is being told that there is an international Jewish plot to create a second Jewish state in Patagonia, the southern section of the country. A spurious tract entitled "The Andinia Plan" (El Plan Andinia), by Walter Beverrage Allende, a professor at the University of Buenos Aires, has been given wide circulation as a pamphlet and in book form, bound together with the infamous "Protocols of the Elders of Zion." The Andinia plot has also been "exposed" in magazines such as Restauracion, which deal heavily in anti-Semitism. It was widely circulated in provincial newspapers by means of a wire service story, carried by the Spanish news service EFE which reported the existence of documents allegedly proving the existence of this "plot."

The anti-Jewish campaign has gone beyond the denunciation of Jews to encourage physical attacks upon them. The editors of El Caudillo, a well-known hate magazine which ceased publication in March, 1975, used its final edition to announce that its supporters would no longer devote their energies to denouncing Jews in print. Telling its readers that the time for action is at hand, the magazine printed an inflammatory poem that is a direct call for pogrom. A few verses will suffice to demonstrate that point: "Nine at night is a good hour for this....The place you already know: the Quarter of Usury. Wave a thousand truncheons, bloody a thousand heads...that all will be devastated."

Last month, the Jewish Quarter, "Barrio Once," was attacked. Unidentified thugs drove through predominantly-Jewish neighborhoods and strafed Jewish-owned shops with machine guns and placed bombs in synagogues and Jewish schools and cultural institutions. A group calling itself the Argentine National Socialist Front claimed responsibility for some of the attacks and declared, "Thus commences the war which will only end when the Jewish-Bolshevik plutocracy is exterminated."

During this period, we have also witnessed the disturbing proliferation of Nazi literature, translated and published in Argentina.

The bombings and machine gun attacks have apparently been intended to intimidate the Jewish community and serve as a warning; although there has been considerable damage, there have been no injuries. Jews have, however, been among the victims of terrorism which has claimed more than nine hundred lives this year and are also among the many Argentine citizens who have "disappeared." In some instances there were indications that anti-Semitism was a factor in their murder or abduction.

Protests against the increasing violence have been voiced in numerous quarters. The two most prestigious newspapers in Buenos Aires, La Prensa and La Nacion, have editorially condemned the "Nazi activity in the country." La Prensa called upon the government to denounce and foil the plot by those whose attacks on Jews, reminiscent of the "Brown Shirts" of the Third Reich, bring discredit to the government abroad. La Nacion called for "severe measures" to prevent the attacks and eliminate the books which serve as an apologia for the crime.

The English language Buenos Aires Herald, in an editorial titled "Shades of the Nazis?" warned that anti-Semitism in Argentina "should arouse widespread concern. It is a threat to our way of life." The paper called upon the government "to defer 1 its credentials as a moderate government, opposed to all kinds of violence and any form of racial or religious discrimination, by dealing strictly with lurid Fascist literature as it does with extreme left-wing propaganda. A stroll along Avenida Corrientes to sample the offerings of the newsstands should be quite sufficient to demonstrate that there is indeed, something behind the latest wave of attacks on the Jewish community in Argentina."

Argentina's leading Catholic publication also asked the government to ban the Nazi books. "Criterio," a Catholic monthly, pointed out that the Nazi books

have repeatedly denounced the anti-Semitic compaign. Spokesmen for DAIA, the Delegation of Argentine Jewish Associations, which is the representative body of Argentine Jewry, have met with the Minister of Interior and the Chief of the Federal Police to express "the visible unessiness generated within the Jewish Community because of the recent anti-Semitic attacks,..." In a telegram to the police chief, DAIA requested that the authorities take effective measures to put an end to the racist violence.

The Anti-Defamation League had a cordial and constructive meeting on September 7, with the Argentine ambassador to the United States to express concern about the proliferation of Nazi literature and the high level of anti-Semitism. We asked that the Argentine government condemn anti-Semitism and prevent the distribution of such literature. The following week a decree was issued, closing Editorial Milicia, the principal source of Nazi books, and specifically benning six titles. The decree stated that the measure was invoked because the books generate reactions against certain sectors of the population and their ideology is not compatible with the essential values of the Argentine nation.

We view the action of the Argentine government as a significant first step in dealing with the problem of anti-Semitism. However, we are troubled by the partial nature of the decree, banning only six titles, but permitting the continuing circulation of others, published by the same firm and containing the same message of hatred for Jews. In view of the total ban on left-wing groups whose ideology is not compatible with the nation's goals, we would hope that the authorities will take equally effective measures to halt the campaign against Argentine Jewry waged by extremists of the right. We look forward to vigorous Argentine government action to put an end to this wave of anti-Jewish bigotry.

Our organization is acutely aware, given the history of the Jewish people, that there is a vital linkage between the rights of Jews and the rights of others.

Throughout the sixty-three years of its history, the League has operated on the Docid: 32735130 Page 81

premise that if the rights of any one are to be secure, the rights of all must be made secure. We are concerned for all, regardless of religion or nationality, when they are victims of kidnappings, terror and murder.

Mr. Chairman, we also wish to state that we recognize the problems the government of Argentina is confronting in its attempts to restore tranquility to a nation sorely beset by political strife and economic woes. We hope that Argentina will soon return to a tranquil state, in which the rights of all are respected, but we believe that this is possible only if the government follows an even-handed policy in dealing with all terrorists and those who incite group hatred.

ANTE-SEMITTESM IN ARGENTINA

From March, 1975 Through September, 1976

Compiled by the Anti-Defamation League of B'nai B'rith

<u>1975</u>	
March 3	Bombing of a synagogue barely 100 meters from a police station.
March 3	Among Argentine literary classics to be televised, under patronage of the Ministry of Education, was anti-Semitic book "La Bolsa" written by Julian Martel in 1891, blaming Jews for the 1890 economic crisis.
March 20	First issue of EL FORTIN, successor of ultra right magazine EL CABILDO. It includes numerous attacks on the Jewish people, blaming them for all the ills of the nation.
March 22	The last issue of Nazi-Fascist magazine EL CAUDILLO incites people to pogrom through poem by Gabriel Ruiz de los Llanos. Poem calls for violence against Jews, ending "For each moneylender running in terror, there exists a promised prize."
March 25	The magazine SEMANA POLITICA points to the Jews as protagonists in a great Masonic-Marxist plot against the nation.
April 3	Young Jewish boys and girls are physically bullied and attacked with sticks in Cordoba; a synagogue is fired upon.
April 9	Editors of EL CAUDILLO begin new publication, PUNTAL, where pogromist poet Ruiz de los Llanos appears. The issue carries advertisements placed by a significant wealth of publicity by the Metal Workers' Union, the General Confederation of Labor, the Banco Social of Cordoba, the Construction Workers' Union, the Ministry of Social Welfare, the National Savings and Insurance Register, the Association of Textile Workers and 62 Peronist organizations.
April 13	For the first time in Argentina, an homage to the Warsaw Ghetto Uprising is forbidden in Cordoba.
April 14	The head of the Channel 13 film library is dismissed because he showed QB VII, about the barbarity of anti-Semitism. The morning paper, ULTIMA HORA, claimed the film was objectionable to some because it was decidedly pro-Zionist and anti-Nazi. It was subsequently banned from television in Argentina.
April 18	In dailies in the provinces, articles appear on the "Andinia Plan" a Masonic-Jewish plot to dismember Argentina.
April 19	A priest from the Orthodox Catholic Church of the Patriarch of Antioch expressed virulent anti-Semitism on TV Channel 11.

April 30

Downtown Buenos Aires is plantered with posters and drawings of EL CAUDILLO that reiterate its slogan "The best enemy is a dead enemy."

April 30

Argentine provincial newspapers print an article by Spanish journalist, written for Falangist paper LA VANGUARDIA ESPANOLA about the Jewish plot to dismember Argentina, "The Andinia Plan." The newspapers picked up this EFE article through the official news agency TELAM.

April 30

Flyers distributed by the Argentinian Anti-Imperialist Alliance (AAA) accused well-known actors of being involved in a Jewish-Marxist plot.

April 30

The city of Mendoza is smeared with swastikas, threats against the Jews and inscriptions such as: "We'll make soap from Jewish blood" and "Be a patriot, kill a Jew".

May 2

A group in Santa Fe tried to hold a mass for Hitler, but Church authorities rapidly intervened to prevent it.

May 8

The evening paper LA RAZON announced the upcoming appearance of the book, Argentine Inflation, by Walter Beveraggi Allende.

The announcement depicts Argentina crucified; the traditional nails have heads in shape of the Star of David.

May 29

The newspaper SEMANA POLITICA published an article "Sinarchy Disclosed" in which it says Jews emigrated from the European ghettos to Argentina to create a Jewish State.

June 6

The magazine RESTAURACION, successor to CARILDO and EL FORTEN publicize the Andinia Plot and formulates an apology for fascism.

June 14

The magazine PATRIA PERONISTA published many anti-Jewish and anti-democratic sayings including a note written in Mexico in 1961 which explains the appearance of swasticas there in 1960 as a "silent and inoffensive protest against the Jewish political conspiracy."

June 18

The Argentine Ambassador in London, Manuel de Anchorena, sent a coded dispatch to Buenos Aires discounting the protest demonstration against terrorism by the Argentine extreme right asserting that "they were only Jews and Marxists."

June 18

The publication SIMANA POLITICA threw out its usual arsenal of insults against the Jews and praised figures of the Third Reich and its Allies.

August 1

The magazine RESTAURACTON prints an apology for Nazi Colonel Otto Skorzeny, who rescued Mussolini from prison.

August 6

The Publishing House MILICIA spreads Nazi-fascist propaganda throughout the country. It publishes a series of small note-books with racist anti-Semitic propaganda -- some of it dating from the era of the Third Reich. It also offers a list to bookstores of books by authors like Goebbels and Gottfried Feder and a magazine "Mas Alta De La Mentira" (Beyond Lies) which praises the German SS.

A pro-Nazi publication in a suburb of Buenos Aires, "La Plata Ruf", salutes the appearance of these publications.

September 3

An anti-Semitic book appears called <u>JEWISH ARGENTINA</u> with a picture of Jesus crucified on a Star of David. The libel written by Horacio Calderon, Press Secretary of the National University of Buenos Aires.

September 17

Two fire bombing attempts were made against Jewish groups in Mendoza.

September 28

The headquarters of the Jewish community in Cordoba and a synagogue in Buenos Aires were the objects of bombings which caused much damage. They were painted with anti-Semitic signs.

October 17

A railroad passenger car carrying participants to a government-sponsored demonstration was painted with swasticas along with the initials CGT (General Confederation of Labor) and JEP (Peronist Youth Union).

November 1

A new edition of the anti-Semitic pamphlet "The Protocols of the Elders of Zion" was published, this time by NOS Press.

December 25

In Buenos Aires a great number of flyers were distributed, they proclaimed, "With the guts of the last Jew, we will hang all the Bolsheviks."

1976

January 6

The front of the Yiddish daily newspaper in Buenos Aires is covered with inscriptions such as "Out Jewish Invaders." A group called "Sigwald" claims responsibility.

January 13

Radio Argentina broadcasts a report by Horacia Calderon, who reiterates his well known anti-democratic and anti-Jewish ideas.

January 27

A terrorist group makes public its decision to annihilate all those individuals, no matter their race, creed, nationality or interests, who respond to outside interests such as Marxists, Masons, Anti-Christians or the International Sinarchy of Judaism."

January 28

The Macabi Club and the Hebrew Sephardic Club in Santa Fe were bombed, causing heavy damage and wounding two persons.

1976

February 16

Radio Argentina interviews Arab diplomats who denounce "international Judaism."

February 28

Another Nazi-Fascist Publishing house -- EDTCIONES LA CAMISA -- distributes new poems by Gabriel Ruiz de los Llanos which incite people to violence against Jews

February 28

Editorial Legion publishes "A World Problem: The Jews."

March 25

A new fascist publication appears titled, GENESIS. It insists on the existence of the Andinia Plan.

June 4

Dr. Salvador Akerman, kidnapped and killed. Captors alleged that he was suspected of involvement in the capture of Adolf Eichmann.

June 11

Newspapers print letter to President Videla, written by physician seeking aid in locating his wife who was kidnapped on May 16. The captors scrawled on the wall of his home, when they invaded it for the first time, on March 27, "Jews and Leftists Tremble, We Shall Return."

August 1

Sticks of dynamite discovered at the Temple of the Sephardic Jewish community, located at Camargo 874. The failure of the wick prevented their explosion.

August 4

Shots fired at the "Maimonides" school in Buenos Aires and at a Jewish-owned cooperative bank.

In the early morning, machine gun bursts fired at Kosher butcher shop and more than twenty other Jewish-owned stores in various Jewish neighborhoods.

August 24

Bombing of the headquarters building of the Federation of Jew-ish Cultural Entities of Argentina.

August 27

Two synagogues in the Villa Crespo neighborhood damaged by bombs.

August 28

Drug store in Jewish neighborhood bombed.

August 29

Jewish cultural center bombed in the city of Cordoba.

September 3

A Jewish school in the Flores district and a synagogue on Olleros Street in Buenos Aires were extensively damaged by bombs.

September 3

Bombs defused in Jewish-owned shopping mall and at building of the newspaper La Opinion, whose editor is Jewish.

September 21

A medium-sized bomb exploded in front of the Hebraica Theater.

Anti-Semitism Hits New High in Argentina

By RABBI MORTON M. ROSENTHAL Director, Department of Latin American Affairs for ADL

Anti-Semitism in Argentina bas escalated to a level "which exceeds all that previously known" accor-Jing to the Committee Against Racism and Other Forms of Colonialism, based in Buenos Aires. The organization's report on Argentine anti-Semitism from March to May 1975, asserts thir the Arab League is behind efforts to local reactionary elements, described as "dark forces of pogromism," to make Jews scapegoats for the passions "which should properly be directed against the enemies of the country."

These reactionary groups, financed by international oil profits, are engaged in a "fundamentally anti-Jewish propaganda campaign which is operating at all possible levels — from government officials to the opposition and from the right to the left." The Committee contends that the escalation of anti-Semitism is part of a camefully planned and coordinated global strategy.

Analysis of the Committee's 11-page report shows that Argentina's 500,00° Jews are threatened more by the massive propaganda campaign than they are by the occasional bombings and machine gunnings of synagogues and other Jewish communal buildings. The principal aim of the propaganda campaign is to use Argentine Jews as scapegoats for the tension and another systems.

A key personality in this effort is a one-time Argentine Senator and university professor. Walter Beveraggi Allende who has long heen known as a mouthpiece for Arab propagandists. A dispatch from Barcelona by the Spanish news agency, EPE on April 27, signaled efforts to revive Beveruggi Allende's claim that the Jews plan to establish a Jewish state, called "Andinia" in the south of Argentina. The EFE story was widely reported in newspapers throughout. Argentina, as well as other Latin American countries. Another indication of efforts to revive the myth was the denunciation of the "Andinia plot" on a TV program featuring the Libyan ambassador.

This so-called "Andinia plot," reminiscent of the infamous Protocols of the Elders of Zion, was first disseminated in 1971, circulating as an anonymous ten-page pamphlet. Subsequently, it was mass-mailed to military officers and insuspective students. Both ele-

forts failing to gain popular reaction. Beveraggi Allende, in January 1972, sent it as an open letter to Jose Rucci, the leader of the principal Argentine labor confederation. CGT. In his letter to Mr. Rucci, he charged that Jewish-Zionist interests had almost total control of the Argentine economy which they used to control also the judiciary, the media and the Argentine political system. Their objective, acording to Beveraggi Allende, was "the total enslavement of Argentina by Zionism."

After describing in detail the foregoing charges, the letter reproduced the plan to dismember a portion of Argentine territory in order to establish a second Jewish state to be called "Andinia." This alleged "plot" was first presented to local Jewish leaders in March 1969 by "Chief Rabbi Gordon of New York." Directives issued by Rabbi Gordon included the formenting of chaos, confusion, corruption, misery and injustice "to the ultimate extremes" to culminate on Feb. 4, 1972, when "Andinia" would be created.

With the backing of the cultural attache of an Arab embassy who financed its widespread distribution, the open letter created such a great stir in Argentina that an atorney filed suit in federal court reginst "the Jewish-Zionist high command in Argentina" demanding an immediate investigation "with the aid of all security organs nd intelligence bodis of the armed prees, federal and local police." Although the "Andinia plot" was later incorporated in an Argentine edition of the "Protocols" it faded from public attention.

Current efforts to rekindle public interest in Beveraggi Allende's "Andinia plot" have as a secondary goal the build-up of interest in Beveraggi Altende's new book entitled, "Argentine Inflation 1946-1975." Leaflets announcing the forthcoming publication of the book give graphic warning of its anti-Semitic content. Its cover shows the country of Argentina crucified, the nails in its extremities adorned by Jewish stars, as a hook-nosed individual in "Der Stuermer" style, looks on with hammer in hand. The book's potential for harm is great, because it is appearing during a period of rameant inflation, approximately 80 percent in the last months.

mass-mailed to military officers. Government agencies also pluy military special 82435130 in inportangeole in the spread of

anti-Semitism. This is evident from the Committee's list of anti-Semitic incidents:

A series of television broadcasts on Argentine literature, sponsored by the Ministry of Education, scheduled to include the classic anti-Semitic novel "La Bolsa" (The Stock Exchange), by Jules Martel. The main theme of the book, which first appeared in 1891, is Jewish responsibility for the economic crisis of that time.

Among the advertisers in the new magazine "Puntal" is the Ministry of Social Welfare as well as Peronist 1-bor unions. This magazine is edited by the staff of the anti-Semitic "El Caudillo" whose final issue carried an incitement to voilence against Jews in Argentina.

The government of Cordoba prohibited a scheduled memorial meeting to celebrate the anniversary of the Warsaw Ghetto uprising and the end of World War II. Provincial government officials offered "technical reasons of security" as their explanation for the unprecedented act.

The ban on the showing of the movie, "QB VII," in the interior of the country was, according to the newspaper "Ultima Hora," due to its having been adjudged "decidedly pro-Zionist and anti-Nazi." The director of films for Channel 13, a government-owned station, was forced to resign because he had authorized the broadcast of that film in Buenos Aires. At the same time, an official television channel was showing a long series of German war films which glorify the Wehrmacht.

An employe of the Secretary of the Senate published an item in an official bulletin which said that "the Jews fatten their purses in this generous Argentine land at the cost of doing us irresponsible damage."

The official government news agency, TELAM, was responsible for spreading the malicious Spanish news report on "Andinia" throughout the country. Under a new law, foreign broadcasts and flews, reports which in any way relate, to 'Argentina can be distributed in Argentina only by means of TELAM.

The most disturbing incident, which involved government owned TV Channel 11, was the broadcast of two one-hour programs which a spokesman for Argentine Jewry labeled "crude anti-Semitism." A letter to the head of the Federal

Broadcasting Committee, Gen Diego Enrique Perkins, from DAIA, the representative hody of Argentine Jewry, protested the spread of "anti-Semitism disguised as anti-Zionism" by foreign diplomats utilizing the mass media. Contrary to erroneous press reports, Gen. Perkins did not support the DAIA protest; he did not even answer it. DAIA's note to the station manager deplored the planting of seeds of hatred in Argentine homes and efforts to divide the Argentine people.

Participants in the controversial programs on Libya and Syria, part of a series called "The World Seen Through Argentine eyes," included the ambassadors of those countries, three Argentine national legislators and a priest of an heretical Catholic group. The participants" statements were denounced as "anti-Semitic preaching on official television" in a lengthy editorial in the prestigious Buenos Aires daily "La Prensa" which detailed some of the objectionable sussements: the priest saying "only one of the disciples of Jesus was Jewish, a native of Iscariot: Judas, the traitor"; another participant asserting that the State of Israel had its origins in one of the four proposals of "Balfour and co." destined to "give territory to Zionism . . . according to documents which nobody can doubt those proposed. in the order of preference: 1. Palestine; 2. Argentina; 3. Libya. 4. Uganda"; an Arab ambassador charging that Israel is a creation of an international conspiracy which "uses Judaism as a screen" for its real purpose of "economically dominating the world."

"La Prensa" observed with irony that the head of a Arab League in Argentina sem a complimentary letter to the station manager singling out those two broadcasts for special praise "for their objectivity, amenity and responsible documentation"

The editorial ended on a somber note which reflects the teehag of many in Argentina. Observing that the anti-Semitic broadcasts coincided with a larger anti-Semitic campaign whose goals are clear, it somberly warned that "the country knows and the world also, at the price of an holocaust, the perversity and noncense of such affirmations." It called for an end to "the methods of a fatal past, encouraged now by the exhorbitant funds derived from petroleum."

Argentina Called Center of Nazi Literature

NEW YORK (JTA) -Argentina has emerged las a major world center for the publication and distribution of Nazi litersture, it was reported by Rabbi Morton M. Rosenthal, director of the Latin American Affairs Department of the Anti-Defamation League. of Bnai Brith.

In a special report, he stated that newsstands. and bookstores in Buenos Aires and other large cities in Argentina promfinently display classic texts by Goebbels and Hitler in Spanish transla-

Books by other Nazi. writers as well as contemporary works and pamphlets eulogizing Hiare also on sale.

"Editorial Milicia," which describes-itself as spreading ideologies." house in all the world ded. A similar of fundamental texts of national Socialism" has been the main source of the literature. Rosenthal stated.

Milicia celebrated its first anniversary on June 30, proudly announcing that it had already published 16 paperbacks in a series called "Library of Doctrinal Formation." and 10 individual books in the: topic, all of which have been sold in "impressive numbers."

Among the titles are. two by Mussolini, "Fascism" and Revolutionary Fascism" two by Hitler, "My New Order" and "My Enemies and Yours"; and three by Goebbels, "Toward the Third Reich," "The Conquest of Be-

tocols of the Elders of appropriate solution. Semitic literature in addition," which Milicia de- Editorial Milicia tion to Milicia's tracts. Spanish translation of paign orchestrated by recently published a fifth the celebrated edition Judaism by means of the edition of The Jew in the published during the Masonic - Liberal - Bol Mystery of History" by Third Pair his Track. Russian.

"damaging and persis- world's problems. Among Hugo Wast—"El Kahal' tent spreading of the doc- 18 examples were the cre- and "Oro." trine of Adolph Hitler," ation of capitalism and Argentina's new role as Rosenthal reported.

'In its editorial 'Publications of the Nazi Doc- and causing both world trine," the paper called wars. lupon the government to close down Milicia, as it Idid 48 other organizather and the Third Reich Itions dissolved under public law, because their purposes involved "the of alien

A similar request was icated to the publication imade by representatives of Argentine Jewry in a lengthy meeting last month with the Minister of Interior, Gen. Albano E. Harguindeguy.

The Jewish delegation, made up of Dr. Hehemias Resizky, president of DAIA, the representative body of Argentine Jewry, and three other DAIA officers, expressed the community's concern with the proliferation of propaganda that is plainly Nazi and anti-Semitic. They gave Harguindeguy a list of the literature and reminded him of the fact that under Argentine law, inciting religious or racial hatred is a criminal act.

The interior minister fassured the Jewish leadnin." Other authors published include Nazi prop-lished include Nazi prop-agandists Dieter any way encourage racial Schwartz, Heinz Roth, or religious prejudice. He and Hans Sponholz. ers, who later described haid that the matter rorist organizations.

communism by Jews, sulverting Cuba and Chile, Nazi literature is also a

· According to Milicia, Adam Smith, Fidel Castro. Salvador Allende, Franklin D. Roosevelt, Harry Truman, Joseph Stalin and Jacques Maritain were all Jewish. Jews are also blamed for creating the United Nations and controlling interna-

tional news agencies. An additional 18 points focused on the role of Jewsin Argentina, alleging that they lead the liberal parties and the Bolsheviks, and are responsible for prostitution and fraud.

The reply ended with Milicia's vow to continue lto unmask Judaism. We will see who will win: the gold of the international lew or the will of the

Argentine people." fliterature is particularly ex-agents and officials' menacing to Argentine under the Peronial gov-Jews because the country ernments. is experiencing a political La Prer and economic crisis al- the present situation in most without precedent. Argentina with that in The military junta, which West Germany where took power in March of Nazism is proscribed "for this year, is attempting to moral reasons more than rescue the country from juridical." simultaneously seeks to suppress left-wing ter-

DISTIBUTION | Planned for publication | would be studied care | The threat to Jews is this month is the anti- fully and that the gov-magnified by a prolifera-Semitic classic, "The Pro- ernment would seek an tion of indigenous anti-

Third Reich by Theodore shevik press" was trying Rev. Julio Weinvielle, an Fritsch, "the maestro of to destroy it, Rosenthal anti-Semitic priest who anti-Semitism," who said. was spiritual adviser to translated it from the . In a printed four-page many nationalist officers reply headed. "Who are auntil his death last year. The respected Buenos the victime and who are "AOCRA Argentine" has Aires daily "La Prensa" the executioners, the Jews published a new edition of Aires daily "La Prensa" the executioners, the Jews published a new edition of has condemned what it or the Nazis?" Milicia two classic Argentine describes as Milicia's blamed Jews for the anti-Semitic novels by:

Argentina's new role as a major world center for threat to the country's image abroad. It evokes memories of the 1930s and '40s when Argentina was the base for Nazi esc pionage and propaganda in Latin América.

The activities reached such proportions in the 30s that the Chamber of Deputies created an investigation commission to study Nazi subversion. It is well-known that Argentina entered the war against Germany belatedly and reluctantly and, under Peron's leadership, gave haven to thousands who fled Germany as the Third Reich crumbled, Rosenthal declared. The way

The La Prensa editorial calling for a ban on Nazi. publications pointed out that "there has never been sufficient clarification of rgentine people." the clandestine entry of The growing volume of thousands of Third Reich

La Prenza contrasted

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ESACSPORATES RUESBA RUEHFO #8#33L/2- 9530143 NA GUUDU ZZH ZYN GWIOWYZ SEP 76 FA: USINFO WASHOC TO AMELBASSY BUENOS AIRES PRIORITY UNCLAS (SECTION 2 OF 2) TO

YESTERDAY, I RECEIVED A LETTER THOM AN APPENDING HEW.

ALTHOUGH I WILL DELETE THE NAME OF THE PERSON WHO WROTE THIS LETTER, I WISH TO SHARE THE LETTER WITH MY COLLEAGUT WECAUSE I FEEL IT PORTRAYS THE DESPERATE NATURE OF THE GITWATSON IS PLEADING FOR THE UNITED STATES TO INTERCEDE ON SCHALL THOSE IN ARGENTINA WHO ARE BRING PERSECUTED—BE THEY CHILEAN OR WROWAYAN REFUGERS IN ARCHNIMA, JEWS, DISSENTERS, OR ANY OTHER GROUP THAT WAS BEEN TARGETTED BY EXTREMISTS.

THE UNITED STATES NEEDS TO TAKE SOME BOLD STEPS TO INFREST THE ARGENTINE GOVERNMENT THAT ITS GRACE PERIOD IS OVER.

IF THE ARGENTINE GOVERNMENT DOES NOT PROTECT ITS LYISH CITIZENS AND OTHER PERSECUTED GROUPS FROM ATTACKS BY ELFMENTS OF JITS, OWN MILITARY, WE SHOULD IMMEDIATELY WITHDRAY OUR KILTARY MISSION IN ARGENTINA AND SUSPEND MILITARY ASSISTANCE TO ARGENTINA. THE MORAL PORCE OF THE UNITED STATES IS VEDEND.

NOW THE MEMORY OF NAZI BARBANITY SHOULD COMPEL US TO ACTION MOU.

THE MEMORY OF NAZI BARBANITY SHOULD COMPEL US TO THE BERN OF ONE ARGENTINE JEW FOLLOWS:

HON. EDWARD KOCH, HOUSE OF REPRESENTATIVES,

MASHINGTON, D.C. .. MASHINGTON, DEC. MAS

ON YOUR DECLARATIONS OF LAST THURSDAY CONCERNING THE UNIVERSITY CONCERNING THE UNIVERSAY CONCERNING THE CITY SUFFRILLA IS BOMBING AND YILLING IN AN APPARENTLY HAPHAZAND DAY, ATTACKING GROCERIES, THE RESIDENCES OF VARIOUS EXECUTIVES. STORES OF ALL KINDS AND PARTICULARLY JEHISH SCHOOLS AND SYNABOGUES.

STORES OF ALL KINDS AND PARTICULARLY JEWISH SCHOOLS AND SYNAGOGUES.

I AM AN ARGENTINE CITIZEN AND A JEW (IN THAT ORDER), AND MY PEOPLE IS BEING ATTACKED BY THOSE WHO RELIEVE THAT ME ARE JEWS AND ARGENTINE CITIZENS (IN THAT ORDER). THIS IS NOT MED, EXCEPT FOR TWE VICTOUSHESS OF THESE ATTACKS WHICH HAS REACHED PEAKS HUMBOMS OF IN PAST YEARS.

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TO DECIDE WHOM TO ACCEPT AS HOME FIDE VISITORS AND WHOLE.

TO REJECT AS POTENTIAL ILLEGAL IMPIGRANTS.

DURING MY VISIT IN NEW YORK I COULD PERSUADE MYTELF THAT MY KIND OF SPECIALIZATION WOULD FIND A PLACE THERE (I AM A REINSURANCE TECHNICIAN), SUT I DON'T DARE TO ASK FOR AN IMMIGRANT OR RESIDENT'S VEGA IN VIEW OF THE DIFFICULTIES WHICH MY DOUBL LAY IN STOPE FOR MYSELF AND MY FAMILY.

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USIS BUENOS AIRES, ATTN: PAO. CONGRESSMAN KOCH OF NFU YORY

ISSUED A NEWS RELFASE SEPTEMBER & HEADED: "KOCH DECRIES

"MUSHROOMING OF FASCISM' IN ARGENTINA, CALLS FOR SUSPENTION

OF U.S. MILITARY ASSISTANCE. KOCH ALSO INCLUDED REMARKS IN

IME SEPTEMBER & CONGRESSIONAL RECORD HEADED; "ANTI-CEMITIE!

IS RAMPANT IN ARGENTINA." FOR STAFF USI, FOLLOWING ARE

THE IEXTS OF THE NEWS RELEASE AND CONGRESSIONAL RECORD, REMARKS.

(SECION 10 F 2)

WASHINGTON, D.C.....CONGRESSMAN FDWARD I. KOCH (D-L/NY)

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KOCH, THE AUTHOR OF A HOUSE AMENDMENT EMDING MILITARY
ASSISTANCE TO URUGUAY BECAUSE OF THE REPRESSION THERE, JAID
THAT "IT IS OUTRAGEOUS FOR THE UNITED STATES TO FURNISH.

49 MILLION DOLLARS IN "MILITARY ASSISTANCE THIS YEAR TO A
GOVERNMENT MHOSE MILLIARY IS KILLING POLITICAL REFUGELS,
ARRESTING AND KILLING CATHOLIC PRIESTS; AND WHICH WAS SURBERBERED ITSELF TO RIGHT-RIDG THUGS."

KOC! ALEO RELEASED A LETTER WHICH HE RECENTLY RECSIVED
FROM AN ARGENTINE JEW, PLEADING FOR M.S. INTERCESSION IN
BEHALF OF THOSE PERSECUTED IN ARGENTINA. THE LETTER REFURRED
TO ARRESTING JEWS AS "BEING COMDENED TO THE HATE AND ATTACKS
OF A SMALL AND EXTERDILLY DANGESOUS SECTOR OF OUR COUNTRYMEN."
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Human Rights Round-Up

ACTION:

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REF:

SUBJECT:

SECSTATE WASHDC PRIORITY

LIMITED OFFICIAL USE BUENOS AIRES 6309

(A) BUENOS AIRES 5844, (B) BUENOS AIRES 5979,

(C) BUENOS AIRES 5954

UCR politicians Hipolito Solari Irigoyen and Mario Abel Amaya are now being officially held by Executive authority under stage of siege, sources report. Previously the two were being held for "questioning" in a military garrison, following their kidnapping and reappearance August 30. Former Economy Minister Antonio Cafiero is also under detention at the disposition of the Executive in Buenos Aires, despite the fact that he was exonerated three weeks ago of any irregularities in a state-owned winery while he was Interventor in Mendoza.

In the past week's only reported attack against a Jewish establishment, the Argentine Hebraic Society was hit by a bomb thrown from a moving car Sept. 21. The number of reported anti-Semitic incidents has fallen off considerably CONTENTS AND CLASSIFICATION APPROVED BY

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since a rash of bombing attacks in late August and early September. GOA banned some anti-Semitic publications and closed the pro-Nazi Editora Milicia Sept. 14 (see ref B).

- 3. Seven Peruvian students returned to Peru Sept. 17 and another five on Sept. 19 following death threats addressed to 23 Peruvian students at the University of La Plata in late August (see ref C). GOA announced Sept. 14 that all foreign students would be counted between Oct. 4-8 to ascertain their student status.
- 4. Refugees continue to leave Argentina, most of them Uruguayans, Chileans and Paraguayans destined for resettlement in Europe. Fifteen left for Sweden and Switzerland on Sept. 19; another nineteen went to Paris, Geneva and Vienna on Sept. 23. The UNHCR director told Emboffs
 Sept. 13 that the resettlement effort is progressing well, but that he fears that when Europe fulfills its offered quotas, many refugees will be left behind in Argentina.
 Sweden and Denmark, he said, have sent special immigration personnel to Buenos Aires to review selected cases. The director said that he has sought assurances from Argentine immigr tion officials that the recent requirement for illegal aliens to register with Argentine authorities by early November will not be used against refugees. Many of the refugees are afraid of identifying themselves to

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Argentine authorities, he said, despite UNHCR efforts to have them comply with the new law.

- 5. Meanwhile, diverse groups continue to press the government on human rights cases. The Argentine Actors Association Sept. 21 issued a statement demanding an investigation into the disappearance of four of its members, who disappeared separately in recent weeks. Amnesty International on Sept. 20 urged President Videla to investigate charges that Uruguayan security officials had kidnapped Uruguayan citizens in Buenos Aires and demanded ransoms for their **XXXXXXX** release. The allegation was made by an Uruguayan citizen recently arrived in Sweden from Argentina who claimed he had been forced to act as an intermediary in ransom demands.
- 6. The Popular Socialist Party sent telegrams Sept. 22 to President Videla and the Interior Ministry appealing for the release of 70-year-old former deputy Pablo Legarraga, who has been held incommunicado for several days in a military prison in Bahia Blanca. GOA publicly criticized the UCR three weeks ago for disobeying the ban on political activities by issuing a statement in the name of the party on behalf of Solari Irigoyen and Amaya (see para one).
- 7. At its Assembly in Corrientes, the Argentine Newspaper Publishers Association (ADEPA) yesterday (Sept. 23) again strongly appealed to the government to restore freedom of

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the press in spite of "the closures, threats, attacks and kidnappings". ADEPA president Juan Valmaggia also said that President Videla had acknowledged earlier ADEPA pleas on behalf of missing and arbitrarily detained journalists and said he would pass on the information to "appropriate authorities". In a related case, the Cordoba paper Los Principios reappeared today after 12 days closure. The paper was officially shut down for six days for criticizing excessive military budgets and refused to publish for another six in protest of the arrest of seven of its journalists. Three remain detained at disposition of the Executive. Corrientes newspaper Epoca remains shut since Sept. 3.

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DEPARTMENT OF STATE

Washington, D.C. 20520

September 3, 1976

MEMORANDUM

TO:

ARA - Mr. Shlaudemar

FROM:

Ambassador Hill >

SUBJECT:

Harkin Amendment and IDB Loan to Argentina

I wish to recommend reconsideration of Secretary Kissinger's decision that we should vote for an IDB loan for Argentina because subsequent reporting from Buenos Aires leaves little doubt that the human rights situation has deteriorated. I fear that a positive vote for Argentina, accompanied by a warning that we may have to vote negatively next time, would be viewed as a pro forma gesture. The Argentines would be left with the false impression that we are willing to look the other way at this time when right wing violence has become truly excessive. I urge that we vote negatively in the IDB in order to underscore the grave threat to U.S. Argentine relations posed by human rights violations.

I can understand why it was difficult to decide whether a consistent pattern of human rights violations existed two weeks ago. Two recent developments must now be factored in:

- -- 47 persons were recently murdered in Buenos Aires and thrown into the streets in retaliation for the terrorist murder of a retired general.

 President Videla did not object to this mass murder but was angered because it was apparent that the security forces acted sloppily in seeking revenge;

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- -- There has been a wave of anti-semitism by right wing terrorists, probably with the complicity of security forces. There has been no public statement by the Videla Government condemning such racism although the GOA may ban the flood of anti-semitic literature appearing on newsstands.

There is a small plus side to the picture. The most significant being:

-- A report that the Commander of the I Corps has ordered his people to bring non-official counter-terrorist groups to heel.

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-- The new police chief of Buenos Aires has broken up a renegade counter-terrorist operation head-quartered in a police school.

These are hopeful signs but I believe we should give an extra push at this time.

While I recognize that President Videla might have real difficulties in harnessing the security forces, there is no question in my mind that he is aware of what is going on in Argentina and accepts the repressive policies of his security forces in order to stay in power.

I feel that we must use the negative vote to shock the Argentines into an awareness of human rights problems, if that is possible, and the effect these excesses are having on the Argentine image abroad. I realize fully that military assistance, essentially FMS credits, could be jeopardized and I want the Argentines to know this too. If they take steps to ameliorate the human rights situation, then we will be able to report an improving picture to the Congress and continue FMS credits, thereby avoiding a really serious disruption in our relations. The Argentines could tell us of course to mind our own business, irrespective of bilateral consequences. If that is their attitude, we might as well learn it now.

I believe that General Walters' already approved visit will help me greatly to persuade the Argentines that the human rights problem is a serious one for both our countries.

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Amembassy BUENOS AIRES

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Human Rights Provisions of New Security Assistance Legislation

ACTION: Secstate WASHDC.

CONFIDENTIAL BUENOS AIRES 6275

REF

(a) State 231122, (b) Buenos Aires 6208

Ambassador outlined human rights provisions of security assistance during course of interview with President Videla Sept 21 (see reftel b). Text of human rights provisions given to KonMinistry Sept 22. Acting Director of North American Affairs office received text and briefing by Emboff without comment. Text also being sent to Office of Presidency.

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Threatened Closure by GOA of Watchtower and Bible Tract Society

ACTION: SecState WASHDC

LIMITED OFFICIAL USE BUENOS AIRES

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(A) State 195291; (B) Buenos Aires 5177; (C) Buenos Aires 4846

1. Jehovah's Witnesses, represented in Argentina as Watchtower and Bible Tract Society, complied in 1948 with law affecting all religious organizations by requesting inscription with Ministry of Foreign Relations and Worship. Appropriate GOA authority to operate as "juridical person" was granted in 1949. However, the Witnesses' traditional refusal to perform military service and to render homage to the flag and other national symbols, in violation of Argentine law, led to the revocation of their inscription as a legally-recognized cult, by decree of the GOA in July 1950. As far as we know, this was only basis for revocation of legal status.

2. The Witnesses have appealed several times over the years since 1950 for revocation of the 1950 decree and reinstatement as recognized cult. Latest review by Foreign Ministry, and

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rejection of appeal, was dated May 28, 1975. During these 26 years, Witnesses, and specifically the Society, have continued to function, subject to periodic attempts by Federal and/or Provincial Government to stop them from so operating. Attempts to enforce 1950 ban have been sporadic, depending on government in power, have varied by province, and have been generally unsuccessful. Missionary operations of Society have continued, and Argentine courts have avoided conclusive findings on matter of Witnesses' military service and national symbols violations. Most recent example was expulsion of students of Witnesses families in provincial school for refusal to join prescribed patriotic ceremonies, and arrest of some parents. Civil court reached Solomonic conclusion that while Witnesses had violated law, they had not done so with actual intent to insult national symbols, and dismissed case. It is probable that current pressure against Society and Witnesses in general is reflection more of new military government's energy and concern with patriotic values than a new attack on Witnesses as such.

- 3. Witnesses have still another appeal before GOA at moment, and are expecting decision in near future. We have established that Mr. Eisenhower, head of Society, is not requesting formal intervention by Embassy, but only informal effort to influence GOA consideration of current appeal for reinstatement.
- 4. Apparently the involvement of U.S. citizens in question is limited to about 14 missionaries, and U.S. property is involved

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only to extent of printing presses and Society publications.

Real estate, etc., of the Society and Witnesses is property of Argentine nationals.

5. We have reviewed limited references available to us concerning protection of religious rights of American citizens in Argentina. Treaty of Friendship, Commerce and Navigation, between U.S. and Argentina, signed July 27, 1853, in Article XIII, appears to protect American citizens here in personal exercise of religion, but does not address missionary activities. Whiteman, in Vol. 8:399-400, quotes 1959 Department instruction to AmEmbassy Bogota which appears to apply to situation of Watchtower Society in Argentina. There is no evidence that lives or personal liberties of American citizens involved in this matter are endangered, or that special discrimination has been aimed at them by GOA. They have not been permitted in some instances to make use of their property, i.e., presses and publications, but that property has not been confiscated. No American citizen has complained that his personal religious freedom has been limited; we understand, however, that orders have been issued by the authorities prohibiting meetings or other organizational activities of the Witnesses, with refusals of meeting proxim permits to be based in State of Siege regulations. It is possible that we may receive complaints that American citizens -- the missionaries -are being prevented from meeting in their places of worship.

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- 6. On balance, we do not believe that we have grounds for formal intervention or for representations to the GOA, and it appears that the Society has not exhausted all local legal recourse. We feel on other hand that it would not be inappropriate, at middle level of FonMinistry, informally to note concern of Witnesses' headquarters in U.S. over situation and express hope that GOA might be able to find solution to limited problem presented by Witnesses' beliefs on military service and national symbols, as has been managed in U.S. and other countries.
- 7. We have just received letter dated August 2 from Nathan H.

 Knorr, President Watchtower Bible and Tract Society headquartered in New York, addressed to Ambassador Hill, requesting "good offices" of Embassy "to aid us to obtain recognition in Argentina as a legal religious organization."
- 8. Request Department's views on our interpretation of policy on protection of religious organization, and guidelines on informal approach, if any, which we might make, as well as answer to be given Mr. Knorr.

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MAY 4, 1976

Amembassy BUENOS AIRES

CASP--Argentina FY 1977 to FY 1978

Buenos Aires 2747 FOR NSC-IG/ARA

Section I (Summary of Interests and Ambassador's Overview) and Section II (Issue Analysis) were sent to Department via cable (see reftel). Remainder, beginning with Section III (Interest, Policy and Resource Analysis) is transmitted under this cover.

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INTEREST, POLICY AND RESOURCE ANALYSIS

1. World Order

The government which took power on March 24 has not yet defined in concrete and operational terms the foreign policies it intends to pursue. However, from the communique issued within 48 hours of assuming power and from subsequent statements made by the new leadership. it is clear that their conception of Argentina's role in the world is markedly different from that of its immediate predecessors. The Videla government. in one of its first pronouncements, stated unequivocally that Argentina was a part of the Christian Western world, thus indicating clearly that the new leadership intends to identify with the developed world both in political and economic terms and to reject, or at least de-emphasize, the romantic identification with the Third World which informed the previous government's policy orientations. However, the new government made clear that this identification with the West was not to be at the exclusion of its potentially profitable economic relations with the Soviets, the Eastern Bloc, the Chinese or indeed any potential customers in the Third World.

The US interest in World Order as it relates to Argentina is seen most clearly in the following areas of concern:

(a) Argentine support for our efforts to establish a more fruitful relationship with Latin America and a more responsive QAS system.

(b) Argentina's support in other international fora.

(c) That Argentina play a positive rather than a destabilizing role in the Southern Cone.

- (d) Argentina as a bridge between Developed and Lesser-Developed Countries.
- (e) Closer relations between Argentine and US Labor and greater Argentine involvement in Interamerican and democratic world labor organizations.

Argentina's Support for US Efforts in the Hemisphere

The new government can be expected to be more sympathetic than was its predecessor toward US efforts to build a mature, mutually-beneficial relationship in the hemisphere. While the Peron government was not disruptive of these efforts, its weak domestic base prevented it from playing a role commensurate with Argentina's potential as a regional power. At least initially, the Junta government will project an image of stability the Peron government lacked. In specific terms we

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of Enclosure

can expect the present government to line up with those in the hemisphere which seek from the US-IA dialogue the creation of a modern, efficient mechanism to further the pragmatic resolution of problems, with an emphasis on economics (e.g., technology transfer, access to capital markets, etc.). If they fail to find solutions to these concerns in a multilateral hemispheric context they will likely make efforts to forge closer bilateral dialogue with key hemispheric actors, principally the US, rather than become bogged down in obscure ideological debates of dubious relevance.

Argentine Support in International Fora

Even under the Peronist regime, Argentina took a moderate stance in international bodies and its diplomacy was markedly more responsible than those of its nominal Third World allies. Under the new government, it is believed that in world fora as in the CAS the Argentines will seek to be more cooperative with the developed countries and actively seek out areas of agreement rather than confrontation. As in the past, we should find ways to encourage Argentina to pursue moderate policies in the UN and other international fora.

Positive Rather Than Disruptive Argentine Role in the Southern Cone

Under the Peronist government, Argentine diplomacy in the Southern Cone sought to carve out a clear leadership role vis-a-vis its immediate neighbors. This effort came to naught because of the international instability and near economic collapse which the country experienced during the last two years. It is to be expected that the new government will move forcefully to re-assert its role in the Southern Cone. This development should contribute to the stability of the area as a healthy competition between Argentina and Brazil, for influence with Paraguay, Uruguay and Bolivia has been the basic framework for diplomacy in the area for over a century. New Argentine initiatives, particularly in the economic area, will, if the domestic economic policies of the new government prove successful, have a salutary effect on the economies of the neighboring states and could contribute importantly to the over-all economic well-being and political stability of the area.

Argentina as an Intermediate Actor in the North-South Confrontation

In economic, cultural and political terms, Argentina at present is at the mid point between the developed and lesser-developed countries. Unlike its predecessor, the current regime believes Argentina's future lies with the developed world. As one of the most industrialized countries of Latin America, self-sufficient in foodstuffs and indeed

BUENOS AIRES A-60 Page 3 of Enclosure

a potential major world exporter of proteins, the country's ambitions toward reaching full "developed" status are not without foundation. To the extent that Argentina can achieve its potential for development through cooperation rather than confrontation with the developed countries it can serve as a model and a guide to those countries which presently believe their interests are best served by achieving Third World solidarity to force unrealistic policies upon the developed countries. The US interests in breaking down the automatic majorities hostile to us in international fora could be well served if we can show that with the Argentines we are able to, through the establishment of a mature and cooperative relationship, safeguard our interests while at the same time helping them to reach their national goals.

Closer Relations Between Argentine and US Labor and Greater Argentine Involvement in Interamerican and Democratic World Labor Organizations

During the Peronist regime organized labor emerged from its isolationist position of the previous years and aggressively sought a more activist role in international labor affairs. It affiliated with the ICFTU and was negotiating for membership in ORIT. Additionally, it was well on the road to establishing a close, mutually-beneficial relationship with the AFL/CIO. However, the labor scene changed drastically following the fall of the Peronist government. The future of many of those leaders responsible for that policy is unclear, but it appears likely that Argentine labor will now experience a major renovation of its top leadership. We believe it is in our interests to promote, insofar as possible, a further strengthening of those recently established ties with the AFL/CIO. To do that we must identify and establish appropriate relations with those emerging leaders, as well as continue our present friendly relationship with the current leaders who may remain. To that end we propose that additional regional funding be provided for an expanded labor exchange program. We also recommend that USG funding of international trade secretariat activities be maintained at at least the present levels. Until the GOA policy towards organized labor becomes clear. we do not recommend any innovations in our present policy or activitics. We will remain alert to the changing situation and make additional recommendations as warranted.

PROPOSED ACTION PLAN

OBJECTIVE 1: Seek to encourage Argentine policies in Latin America in a direction favorable to US objectives in the area.

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OBJECTIVE 2: Seek to encourage Argentina to play a positive, harmonious role in the Southern Cone.

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Resources (000)

OBJECTIVE 3: Seek to encourage Argentina to play a responsible role in international fora.

Estimated FY-77
Resources (000)

Estimated FY-78
Resources (000)

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152 USIS

CBJECTIVE 4: Capitalize on Argentina's role as a moderate spokesman in the Third World countries.

Estimated FY-77
Resources (000)

Estimated FY-78 Resources (000)

OBJECTIVE 5: Seek to encourage closer Argentine relations with the American labor movement and with democratic Interamerican and international labor organizations.

> Estimated FY-77 Resources (000)

Estimated FY-78 Resources (000)

51 USIS

61 USIS

2. U.S. ECONOMIC PROSPERITY

Major areas of concern for Argentina include the following:

- a) Trade Relations
- b) U.S. Investment Interests
- c) Financial Relations

Trade Relations

Argentina may be expected to suffer Balance of Payment problems and foreign reserve shortages throughout most of the CASP period. Significant import expansion is not anticipated and, therefore, prospects for U.S. exports will be limited, at least for 1976. However, the GOA is implementing a major economic reorganization and recovery program and the bilateral trading climate over the next several years is expected to be favorable. As BOP problems ease, the GOA will seek to expand capital and raw material imports from the U.S. necessary to promote domestic economic development. It is expected that development emphasis will shift from the public to the private sector, which should favor U.S. interests. It would be a mistake for the U.S. to neglect or downplay the Argentine market now, allowing other countries to gain a competitive advantage. Instead, we should begin to prepare for interesting new export opportunities which could begin to materialize in 1977. These preparations should include analysis of priority growth sectors, careful market studies, etc. In general, Argentine perceptions of U.S. trade policies and activities are not unfavorable, although specific incidents have created friction. The bilateral trade imbalance favoring the U.S. has long been an irritant in our bilateral relations and is likely to continue to be viewed unfavorably by Argentina. Protective trade measures implemented by the U.S., i.e. escape clause actions and deletions from GSP list, adversely affecting Argentina's export interests are likely to be vigorously protested by the GOA. Summing up, short-term trade prospects are not good, but interesting export possibilities exist over the medium and long term. Big ticket items in key sectors such

Buenos Aires A-60 Page 6 of Enclosure

as petroleum, steel, petro-chemicals, hydro-electric power, etc. will continue to receive high priority from the GOA and should continue to provide export opportunities in the short run. However, the expected growth of the private sector may provide even more important new markets for U.S. products, including items such as agricultural equipment, mining and petroleum equipment, etc.

U.S. Investment Interests

Government policy toward foreign investment is likely to be favorable during the CASP period. The GOA already has announced it will seek to resolve outstanding investment problems "as quickly and as equitably" as possible. The Peronist foreign investment law is to be abrogated and replaced by a new one "reducing to a minimum areas limited to foreign investment" and "respecting foreign investment rights under previous legislation." Within the domestic economy, prices now have been largely decontrolled and companies can anticipate GOA policies aimed at assuring reasonable profits. The climate for doing business in Argentina already has improved dramatically since the coup and is likely to continue to improve.

Despite these favorable developments, no significant new foreign investment inflows are anticipated, at least over the short term. During 1976 the government is likely to concentrate on economic reorganization, laying a solid framework for economic recovery in 1977. We anticipate most companies will wait to see the results of these reforms, and to determine this government's political viability before committing new foreign resources. A key factor will be the success of the military government in controlling the terrorist threat.

If economic reform is carried out on schedule and political authority maintained over the next year, then we would expect some substantial new capital inflows to begin to materialize. Based on government plans, some excellent opportunities for foreign companies should be opening up in mining, petroleum and agriculture. The GOA also is expecting to seek U.S. technology to modernize both industrial and agricultural production.

Although the future of organized labor is unclear, the attitudes of the workers and the unions toward US companies' policies and practices will still have an important effect on those companies' operations. While basic problems of absenteeism and worker indiscipline will be ameliorated under military policies, they will not be abolished. Accordingly, we should encourage US companies, and insofar as possible the GOA, to develop and implement forward looking labor-management relations conducive to bettering the lot of the common man and the development of a responsible labor A democratic, more responsive labor movement will also contribute to the overall economic development of Argentina by reducing the likelihood that disgruntled workers and unionists will turn to subversive or terrorist activities directed against both American and national interests.

Maintenance of Constructive Financial Relations

Argentina's external outlook remains difficult but considerably improved over several months ago. Since the military takeover, foreign commercial banks have agreed to rollover approximately \$500 million in public sector debt coming due during the next 6 months. U.S. commercial banks also have given the new military government sizeable shortterm balance of payments credits to refinance external debt. These developments reduce the immediate pressure on the external sector, allowing the government additional flexibility to implement necessary economic reform. The next step for the GOA is likely to be a major refinancing operation with, the IMF and commercial banks. Economy Minister José Martinez de Hoz is scheduled to head an important financial mission to the U.S. and Europe in late June for this purpose. Minister has emphasized that the GOA wishes to obtain new external financing based on achievements - not promises and following implementation of economic reform measures and resolution of outstanding investment problems. major new financial package is successfully negotiated, the GOA should be able to reach 1977 when significant balance of payments improvement might reasonably be anticipated. The GOA already is seeking to de-emphasize short-term SWAP financing. It will likely be active in the IFIS. public sector investment program should begin to advance more rapidly and the GOA is likely to press for additional external credits for these projects.

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PROPOSED ACTION PLAN

OBJECTIVE 1: Maintain and Expand U.S. Exports to Argentina: Limited opportunities over short term, but interesting prospects over medium and longer term. U.S. should begin now assessing sectoral development prospects. Shift in emphasis from public to private sector is key development.

Estimated FY 77 Resources (000)

Estimated FY 78 Resources (000)

127 USIS

152 USIS

OBJECTIVE 2: Protect and Advance U.S. Investment: GOA expected to implement new policies favoring foreign investment inflows. Most companies likely to be cautious and no significant new foreign investment inflows expected before early 1977. USG should continue to monitor situation carefully, anticipating increased investor interest in Argentina.

Estimated FY 77 Resources (000)

Estimated FY 78 Resources (000)

127 USIS

152 USIS

OBJECTIVE 3: Maintain Financial Cooperation:
Argentina likely to seek U.S. cooperation. If GOA implements liberal reform, U.S. should be prepared to support program.

Estimated FY 77 Resources (000)

Estimated FY 78
Resources (000)

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3. US NATIONAL DEFENSE

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The US interest in National Defense as related to Argentina is reflected as follows:

- (a) Preservation of a basic pro-US orientation of the Argentine Armed Forces through broadened professional contacts.
- (b) Insurance of availability of forces, territory and facilities for strategic interests of the US.
- (c) Insurance of Argentine capability to defend itself from internal and external forces hostile to the United States.
 - (d) Re-establishing the US as a primary source of Argentine arms.
- (e) Pre-empting other foreign military influence, especially the Soviets.
 - (f) Master Data Exchange Agreement.

Preservation of Pro-US Orientation

The Argentine officer corps is highly nationalistic. However, due to the present US grant and training program, military sales and former grant material aid program, it is very favorably inclined toward the US. Through maintenance of a sufficiently high MAP-T level to accommodate local needs, and FMS credit levels for equipment purchases, contacts will be maintained to prevent search for third country assistance. Equally important is US responsiveness to providing assistance in obtaining sophisticated systems for force modernization. Preservation of pro-US orientation is also greatly facilitated through continued participation in Joint Exercises and personnel exchange programs.

Availability of Forces, Territory and Facilities

The Armed Forces' posture is essentially oriented toward internal order; hence, the Argentine forces are of little potential use in support of total US Force Policy Concept except for some Naval ASW, coastal defense and Air Force ocean surveillance capabilities.

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Except for possible token force contribution to UN or OAS peacekeeping missions, moreover, Argentina would be unlikely to commit forces in any action unless Argentine security were directly threatened. Its southern tip and bases in the island of Ushuaia provide a stepping stone toward the Antarctic, an area of continuing interest to the world powers. These same bases and airfields together with military and civilian airfields and naval deep water ports at reasonable intervals northward from Ushuaia provide natural havens to merchant, mercantile or naval shipping; and, with suitable improvement, deployment airfields for the surveillance of the South Atlantic. These same bases/ports can provide for sites of an expanded underwater surveillance system such as now exists in the North Atlantic. Recent trends in shipping (large oilers/containerships/other large ship designs) with ships unable to transit the Panama Canal; the political situation relating to the Fanama Canal; Angola's loss to the left; and, the threat of a submarine anti-shipping campaign in the South Atlantic have highlighted Argentina's importance to the US. recent installation of an OMEGA navigation station on Argentine soil and their support in HF/DF fixing of shipping in the South Atlantic (which could be expanded in wartime) are valuable assets to US interests.

Insurance for Self-Defense Against Internal and External Threat

While the Argentine Armed Forces have no specific external threat directed against them by any particular country, they are undergoing force modernization which through current programs demonstrate an, understandable desire for improved capability against—the external threat. For both the Navy and Air Force, this is highlighted by efforts to improve its capability against an external threat. The Argentine Army, however, is directed against a very real internal threat. This internal threat is a continually increasing insurgency which initially began its operations in urban areas, then expanded its activities to infiltration of the labor forces of the industrial areas surrounding the major urban centers (especially in the more heavily populated areas of central and northern Argentina). counter-guerrilla activity can be expected to increase throughout the country under the Junta. Thus it can be expected that all three services will continue to be involved along with the police in combating and eliminating the terrorist problem.

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Re-establishing the US as a Primary Source of Argentine Arms

An indispensable step toward improved relations is re-establishment of the US as a dependable equipment supplier. To make US arms sales more competitive, provision of sufficient US Government credit through FMS is essential. Credit restrictions as well as those on certain sophisticated weapons systems serve only as a source of irritation, causing the military to look to third countries for their requirements. Argentina must be treated as a mature, equal hemispheric partner.

PROPOSED ACTION PLAN:

OBJECTIVE 1: Maintain and strengthen effectiveness of COMUSMILGP, Argentina as the basic framework for collaboration between the Armed Forces of Argentina and the United States, encourage favorable attitude of Argentine Armed Forces toward the United States, and improve professional level of the Argentine military in operations, logistics and maintenance operations.

Estimated FY-77 Resources (000)	Estimated FY-78 Resources (000)
\$900 (MAP-T)	\$900 (MAP-T)
254 USIS	305 USIS

OBJECTIVE 2: The proposed FMS credit levels provide for foreign military sales at a level to be responsive to minimum modernization requirements of the Argentine Armed Forces at no detriment to the Argentine economy. All services will continue to upgrade and modernize aviation inventories. The high cost of aircraft is the critical factor in force modernization and should be moderated through increased FMS credit. In addition, the programmed increase in aircraft maintenance requires credits to support current and projected aircraft/equipment of US origin. Argentina has made a deliberate decision in favor of gradual force modernization and prefers to employ US equipment. Nevertheless, denial of security assistance, whether through legislative restrictions and sanctions or for policy reasons, will serve to undermine our influence with Argentina turning to third countries to obtain the desired equipment/training.

stimated	FY-77	Estimated	FY-
Resources	(000)	Resources	(000

\$48,400 (FMS Credit)

\$50,000 (FMS Credit)

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4. COTHER INTERESTS

(a) Nuclear Non-Proliferation

Argentina's capability in the nuclear field, announced plans for a national nuclear industry, and prospects for nuclear growth, including even, eventually, a nuclear weapons capability, may remain a source of concern to the US during the CASP period.

The US should maintain and improve its contact with the Argentine nuclear program so as to be alert to all possible ways of influencing Argentina to pursue a course which would not lead it to the point of developing a nuclear explosives capability.

Whether or not there is a change in the direction of the Argentine nuclear program, the US should faithfully fulfill its obligations under its bilateral atomic energy agreement and cooperate to the maximum possible with Argentina consistent with an adequate regime of safeguards.

Estimated FY-77 Resources (000)

Estimated FY-78 Resources (000)

\$80

(b) Encourage Better Understanding of US

While the Argentine military's assumption of power will lead to numerous changes in the psychological atmosphere, the need to explain our policies, institutions and way of life remains. The new Government will assuredly look to us for assistance in solving the country's dire economic plight but it will also be sensitive on Argentina's sovereignty, independence and position in both the Hemisphere and the world. This will necessitate careful selection and preparation of our public affairs activities. US elections, for example, must be explained in a manner that will show the strengths of our system without implying criticism of the new GOA. Our trade and economic policies must be explained in a way that will enable Argentine leaders to understand how their national interests can benefit from actions that global realities lead us to take. Our interest in human rights must be explained as a genuine desire to see

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of Enclosure

a better world for all--not as interference in the internal affairs of Argentina. By explaining these and other facets of our Government, country and people, by encouraging the Argentines to understand us better, we should not only improve US-Argentine relations in general but help promote those priority interests listed above.

Estimated FY-77
Resources (000)

Estimated FY-78 Resources (000)

\$1,346 USIS

\$1,615 USIS

(c) Strengthen Patterns of Two-way Communications

Given the advent of a new Government, it is important that we offer opportunities to Argentine leaders to gain a first-hand knowledge of the United States and personally to exchange views with their American counterparts. By this means, we will not only promote cooperation between the two countries but also further both Argentine appreciation of US cultural achievements and American recognition of Argentina's considerable contributions to the arts.

Estimated FY-77
Resources (000)

Estimated FY-78
Resources (000)

\$213 CU

- \$213

(d) Argentina and the World Food Crisis

As Argentina has the potential to become an even greater supplier of food to a hungry world, the US should work toward establishing and expanding bilateral collaborative relationships in important areas of agricultural research and technology.

The Embassy suggests that consideration be given to developing a specific program during this CASP time frame in order to implement this objective. In addition, this goal should be kept in mind under programs funded by other agencies (e.g., Agriculture, NSF).

Estimated FY-77
Resources (000)

Estimated FY-78 Resources (000)

\$100

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(e) Control of the Movement of People and Goods To and From US

Conviction of Argentine major narcotics traffickers, reduction of narcotics shipments from or through Argentina to the US, and continued building of Argentine narcotics enforcement and rehabilitation capabilities are expected to remain as important US goals through the CASP period.

Detailed justification for US assistance in this field is provided in the annual NCAP, of which 1975 Buenos Aires A-170 is the most recent, as supplemented by annexes submitted with 1975 Buenos Aires A-222.

Estimated FY-77 Resources (000)

Estimated FY-78 Resources (000)

\$24 (CCINC) .

\$49 (CCINC)

(f) Science and Technology

The Embassy believes that it will prove to be in the interests of both the US and Argentina to renew the bilateral science and technology agreement when it expires in 1977. It also believes that the US should be prepared for an increase in possible cooperation in this field by the time frame of the present CASP.

We expect that the Argentine side will be in a better position to support its share of joint projects which should be funded on the US side by NSF. In addition, DHEW should be prepared to support its share of cooperation under the proposed Health Science Agreement.

As discussed elsewhere in this CASP, agricultural research is likely to be an active area for cooperation during the CASP period as well.

Estimated FY-77 Resources (000)

Estimated FY-78 Resources (000)

\$150 * \$200 *

* Above figures are for State administration at post only, and do not cover NSF, DHEW, or other US technical agencies.

Table 1

SUMMARY OF FINANCIAL RESOURCES BY US AGENCY AND OTHER MAJOR DONORS

	U.S.	DOLLAR F	RESOURCES	(000)
U.S. AGENCIES	FY-75 Actual	FY-76 Est.	FY=77 Plan	FY-78 Plan
State Salaries and Expenses Program Shared Representation Allowance	1,085 1,808 14	835 1,356 1 ¹ 4	850 1,500 14	900 1,600 14
FBO Cultural Program (CU) Other (FSI)	1,190 314 5,250	2,661 270 4,200	2,700 213 4,200	1,500 213 4,200
AID RTAC Narcotics RNUDO/APU - Not available B.A. Administration	has		er in Mont red our ca gures	
USIS PAO Rescurces	1,682	1,931	2,540	3,048
DCD FMS-Cash - Not available at post FMS-Credit MAP-T	(1) 30 100 (2)	15 3 ¹ 4 (3)	15 48.4 900	30 50 800

NOTE (1): Actual Cash Figure Not Available

^{(2):} Initial Program was \$700,000. However, due suspension program not reinstated until May 75. Program was reinstated for \$100,000

^{(3):} Program was \$920,000. Presently suspended under CRA authority with an estimated obligation of \$341,000

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ANNEX A
BUENOS AIRES A= 60
Page 2

Table 1 (continued)

SUMMARY OF FINANCIAL RESOURCES BY US AGENCY AND OTHER MAJOR DONORS

 				(000)
U.S. AGENCIES	FY-75	DOLLAR R	FY-77	(∞0) FY=78
O.D. Millionia	Actual	Est.	Plan	Plan
AGRICULTURE				
Program - FAS, ARS	134	87	90	95
DEA	43	45	45	· 50
DOD-DEFATT Program Administration FAO	222 27 19	233 14	240 5	245 6
JUSTICE Administration	100	100	100	100
COMMERCE Progrem	3 9	49-44		*-

Table 2

SUMMARY OF PERSONNEL BY U.S. AGENCY

u.s. AGENCIES	7:7	Y-75	7 <u>6</u> 7		ONNEI Y-76	TOT		(- 77			FY - 7	8
		i=75 ctual			ctual			lan			Plan	
•		CLK		OFF	CLK	FSL	CFF	CLK	FSL	OFF	CLK	FS
Etate Executive Direction Political Econ/Commercial Consular Administrative Subtotal	3 9 4 8 7 31	2 6 2 8 18	3 10 18 66 101	2 2 5 8 9 36 36	2 5 2 8 17 151	14 38 20 63 98	2 12 5 8 9 36	2 5 2 8 17	4 3 8 20 63 98	2 2 2 5 8 9 3 3	2 5 2 8 7	4 m8 0 0 0 8
AID U.S. Direct Hire Contract Local Total		1 10 11			- -1 1			449 649 640 640			•	
USIA U.S. Iocal Total		8 58 66		• 34 • 4 • 5	8 65 73			8 65 73	: 5		6 <u>6</u> 7	3
DCD Marine Guards Attache U.S. Local MilGroup		19 10 5		×	22 10 5) 		10	: :) i			0 5
U.S. Local Total		27 11 72	·. ·	•	27 11 75	? 5	. •	27 11 75	7 5		2 <u>1</u> 7	7 <u>1</u> 5

Table 2

SUMMARY OF PERSONNEL BY U.S. AGENCY (cont'd)

	····											
U.S. AGENCIES			•		PER	SONN	EL TO	TALS				
		FY-			FY~7			FY-77			7-78	-
•	l	Acti	ıal		Actu	al		Plan		P	lan	
	OFF	CLK	FSL	OFF	CLK	FSL	OFT	CLK	FSL_1		CLK	
AGRICULTURE (FAS/ARS/ APHIS) U.S. Local Total	.e.,	5 5	**		• 3/3		<u>-</u>	• m m			: m/m	
DOD - Other FAO Total U.S. Total Local		2			3			3			3	-
JUSTICE (FBI/DEA) Total U.S. Total Local		9(0	:)		9.	- 		9		-	9	
TRANSPORTATION Total US Total Local	,	ì		,	1			ī	· · · · · · · · · · · · · · · · · · ·	·.	- 1	
TOTAL U.S. TOTAL LOCAL		127 .90			129 184			129 183			129 183	

⁽a) As of June 30, 1975(b) As of April 1, 1976(c) FBI 3, DEA 6

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1	ARA/LA	George Brown
1	ARA/LA/MRSD	Edward Marasciulo
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1	ARA/PLC/PM	Al Williams
6	I.A/DP	Patrick Morris
3	LA/DR	Marshall Brown
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NATIONAL
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STRATEGY

PAPER

FY 1976-77

ARGENTINA

APPROVED BY

NSC-IG/ARA

March 23, 1976

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Table 2 (Personnel by US Agenc	ev) 2

MEANING OF CASP APPROVAL

(The following statement was approved by the Inter-departmental Group on March 16, 1972. It replaces the previous statement approved on September 23, 1970.)

Approval by the Interdepartmental Group for Inter-American Affairs (NSC-IG/ARA) of a Country Analysis and Strategy Paper (CASP) signifies that this document is an official statement of U.S. Government policy and posture toward the country in question for the planning period the CASP covers. Policy and programs are obviously subject to change as events and circumstances warrant. So long as the general conditions set forth in the CASP prevail, however, this document will serve as the general policy frame for activities of U.S. Government agencies with respect to the country in question. A CASP is subject to modification at any time by subsequent IG decisions.

The resource figures contained in an approved CASP represent estimates of what it will cost U.S. agencies to carry out the CASP's proposed courses of action in each of two fiscal years.* These resource figures are planning levels which indicate the general magnitude of U.S. financial inputs needed to pursue the stated objectives. Approval of the CASP does not mean an approval of a precise funding level contained in the CASP. Barring changed circumstances, however, the agreed general levels with respect to FY 2 should be observed as initial guidelines by State, AID, DOD and USIA in the field and Washington in the development of budget proposals, and with respect to FY 1 should be observed as guidelines by these agencies in the development and implementation of their programs. The programs for which these funds are designated must be explicitly directed to the achievement of the objectives set forth in the approved CASP.

Technical and/or administrative factors intervening between the time and the Country Team submits its CASP and Country Team components submit their individual agency budget requests may result in recommendations somewhat different from the FY 2 resource levels appearing in an approved CASP. CASP FY 2 resource levels may also require change as they are subjected to closer budget scrutiny in Washington by the agencies concerned. Similarly, changed circumstances in the host country, overriding budgetary constraints, or other factors may require variations from CASP FY 1 resource levels in later stages of program development or implementation. In

^{*}The near term fiscal year (FY 1) begins approximately five months after the time of CASP preparation; the far term fiscal year (FY 2) begins one year later.

the event any of these changes are such that they represent major departures from approved CASP magnitudes or would produce priorities, policies, goals or objectives that are inconsistent with the approved CASP, then these changes must be referred to the IG if they are to be accepted in lieu of approved CASP recommendations.

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NATIONAL SECURITY COUNCIL INTERDEPARTMENTAL GROUP FOR INTER-AMERICAN AFFAIRS

Decision Memorandum # 1

SUBJECT: FY 1976-FY 1977 Argentina CASP

The NSC-IG/ARA approves the FY 1976-FY 1977 Country Analysis and Strategy Paper for Argentina, as modified by changes recommended by the Pre-IG and the following decisions:

Protection of Investments. The IG essentially endorses the Country Team's recommendation to continue the present approach to resolving investment disputes (Issue No. 2). However, the IG places greater emphasis on United States Government legislative responsibility and available options, including sanctions, for resolving such disputes. On the grounds that the United States Government should not encourage United States firms to take risks unless it is prepared to compensate them if their operations are nationalized, the IG cautions against encouraging investors to enter, remain or withdraw from Argentina.

Financial Assistance. The IG generally endorses the Country Team's recommendation on Issue No. 3, but emphasizes that the Government of Argentina, in attempting to resolve its balance of payments problems, should be encouraged to exhaust the facilities available to it in the International Monetary Fund as the best means of obtaining additional loans in the private capital markets.

Security Assistance. The IG approves the proposed security assistance program, with Treasury dissenting on the FY 1977 FMS-credit level. Treasury requested that the following statement supporting its dissent be recorded:

"Treasury considers that Argentina's present economic situation does not justify setting a level for FMS credit for FY 77 beyond that of FY 76, i.e., \$34 million; the FY 77 level

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should then be reviewed at an appropriate future date, taking into account Argentina's serious debt servicing problem and other pertinent factors at the time."

Both levels of FMS-credit for FY 1977 will be tabled at the 1976 Security Assistance Program Review Committee (SAPRC).

Acting Executive Chairman

March 23, 1976

page 9 A=1865

SUMMARY OF LONG-TERM US INTERESTS IN ARGENTINA

Argentina is important because of its location, size, relatively advanced and sophisticated economy and population, and because of its potential to assume a hemispheric leadership role. An economically healthy country with a popular government favorably disposed toward US policies can be of considerable assistance in gaining support for USG hemispheric and global objectives. Conversely, a hostile Argentina would seriously complicate implementation of a coherent US policy toward this region. Together with Chile, Argentina geographically dominates the ocean routes between the South Atlantic and Pacific Oceans that transit the Drake Passage, Beagle Channel and the Magellan Straits. Were the Panama Canal not operable or available, or in the event of a protracted war, this route would have a high strategic importance, as would Argentine port and bunkering facilities. With Chile, Argentina controls the southern tip of the hemispheric land mass which due to its proximity to the Antarctic, represents an area of continuing interest to the world's major powers, as does the Antarctic itself.

The US has substantial longer-term interests in Argentina. Argentine/US trade, investment and financial contacts are already substantial. Were Argentina to develop its immense economic potential, these contacts would expand considerably. Many observers continue to point out that Argentina has the natural resources and size to become a significant economic power. Argentina's rich agricultural resources, with improved exploitation, could help to ease world food shortages. As an industrialized country with important trade interests, Argentina shares many objectives with the US. Its views on international trade and monetary problems are influential with the developing countries and consequently are important for the US.

Politically, it is in the US national interest that Argentine governments continue to maintain a centrist philosophy. Such governments, though they may undergo considerable internal stress, provide good working partners in bilateral and multilateral fora, although differences will exist on many specifics. Conversely, the experiences encountered during the short 1973 Campora Presidency, like those of the final years of Peron's first administration, clearly demonstrate that a strident extremist government, either left or right, threatens our economic interests and presents a formidable opponent to our international political objectives.

AMBASSADOR'S OVERVIEW

As the CASP is being written, Argentina is in a state of flux. For almost half a century Argentina has attempted to adjust its political system to the demands of the modern world. With the political process begun in 1971 and culminating in the elections of 1973, it appeared that she had at last found the way. For the first time since the early years of the century, a viable political consensus was developing among the various sectors. As President, Peron carefully nurtured the cooperation and support of the trade unions, the military, the UCR (the second largest party in the country), the economic sectors and of the other political parties. He met and consulted with each regularly, and each had a sense of sharing in the country's destinies. Unfortunately for Argentina, however, Peron died before the system of consensus politics could be consolidated.

He left in his place his wife, who though gutsy and intuitive was totally inexperienced and ungifted for the job at hand. Many had expected her government to collapse immediately. That itdid not was due to a combination of factors: (a) First, despite the vagueness of the terms, most Argentines valued the process of institutionalization and return to constitutionalism upon which they had embarked in 1973. For better or worse, Mrs. Peron was the constitutional President and in order to preserve the process itself, most were willing to give her the benefit of the doubt, and, with it, their support and allegiance; (b) Secondly, there was a natural tendency on the part of the malerate and conservative sectors (the great majority) to rally together and behind Mrs. Peron in the face of the terrorist threat from the left. For a time, this helped preserve the spirit of cohesion and consensus; (c) Finally, there was a natural sympathy for Mrs. Peron, the bereaved widow faced with pressing problems. And as Peron's widow, she received some of the aura of charisma and political magic which had surrounded him.

Had Mrs. Peron followed the course charted by her husband--i.e. government based on dialogue and consensus among all major sectors--and chosen her advisors more wisely, she might well have retained support and got through to the elections of 1977, thus advancing significantly the cause of constitutionalism. Unfortunately, she did not. Instead, she deemphasized dialogue and retreated to a brand of exclusive politics which increasingly came to resemble the arbitrary rule of a palace group, with Lopez Rega as the court favorite and most powerful man in the government. A retired police corporal and practicing astrologer, he more than anyone else has virtually wrecked Mrs. Peron's chances of political survival until 1977.

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With rampant terrorism, a collapsing government and an economy which is running into serious problems, Argentina faces a grim and uncertain immediate future. The picture is not without its rays of hope, however. The urge towards constitutionalism and strong institutions is strong. Indeed, it has been Mrs. Peron's failure to satisfy that urge which in the final analysis lost her much support from the people. Hopefully, this urge will help Argentina to right herself and regain the path along which she was moving before Peron's death.

Meanwhile, however, there are difficult days ahead. The strategy set forward in the CASP is essentially one of protecting our people and property from terrorism and our trade and investments from economic nationalism during this trying period, while at the same time doing what little we can to encourage the development of sound institutions and a viable government. The latter would imply a mature, healthy Argentina which could become a very important investment market and a key producer of foodstuffs for a world of tomorrow much in need of them—an Argentina which could bulwark the Southern Cone and act as a force for moderation and stability in South America as a whole. The inverse would open the way for an Argentina in which dangerous vacuums might appear and/or in which irresponsible governments might carry out disruptive policies in the region.

The development of sound institutions is, then, very much in our interest. There may be very little we can do to assist in the process. Essentially, this is something the Argentines must do for themselves. The chances are that they will, though it may take time. Meanwhile, we should take advantage of any opportunities that present themselves to encourage the Argentines toward more stable, responsible government. This will be discussed in greater detail in Issue No. 1.

We believe that even during the difficult days ahead, Argentina is likely to remain a constructive partner, provided, that is, that the worst does not come to pass and Argentina falls into extremist hands. Argentina has been one of our principal interlocutors and this is not likely to change even under a new government and a new Foreign Minister, for no matter who might immediately replace Mrs. Peron (if and when she is replaced), the fact is that Argentina needs the US certainly as much as we need her. We are a primary source of technology and a primary capital market. This latter factor will probably become of increasing importance. There has been no new investment to speak of in Argentina for almost a year-and-a-half now--either foreign or internal. With mounting violence and uncertainties as to who may constitute the government a year from now, there is not likely to be any in the near future. Assuming that Argentina does within the next two to three years find a viable government and defeat or greatly reduce terrorism, she will probably come back to political normalcy in desperate need of investment. The US can expect to be the first country to which the Argentines will turn.

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Argentina also needs the US because her leadership bid in the hemisphere manifestly involves an interlocutor role between the US and the more radical Latin countries. For this strategy to be effective, she needs cooperative relations with us. Subsumed in this is Argentina's concern about being faced by a supposed US-Brazilian axis to the detriment of her interests.

There are, then, strong imperative for close and mutually beneficial US-Argentine relations, just as there are strong internal imperatives towards a more durable, institutionalized political system. Perhaps our best instrument for maximizing the benefits to us implicit in both lies through traditional diplomacy--in keeping open channels of communication and an appropriate working relationship with indicated representatives of the GOA.

Robert C. Hill Ambassador

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STATEMENT OF MAJOR ISSUES

ISSUE NO. 1

What should be the overall U.S. policy approach toward Argentina at this time of political flux and uncertainty?

ISSUE NO. 2

How can the USG best protect U.S. investment interests during the CASP period?

ISSUE NO. 3

How should the U.S. react in case of future GOA requests for financial assistance?

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ISSUE ANALYSIS

STATEMENT OF ISSUE NO. 1

What should be the overall U.S. policy approach toward Argentina at this time of political flux and uncertainty.

· IMPORTANT, ASSUMPTIONS

- 1. Mrs. Peron's authority and acceptance have been seriously undercut. Indeed, her days as President may well be numbered. Mrs. Peron's loss of acceptance has created a power vacuum which others must try to fill.
- 2. The civilian/constitutionalist forces, whether led by Senator Luder, Interior Minister Robledo, Buenos Aires Governor Calabro, or some other contender, will attempt to fill that vacuum and get through to the elections in 1977 (or possibly in November of 1976). At this point, however, the chances that they will succeed do not appear to be good.
- 3. The Military would prefer a civilian/constitutional solution, but they are losing hope that one will appear. As most military men analyze the situation, the vacuum must be filled; if the civilian sectors are incapable of filling it, then the Military themselves must do so. The chances of a military coup in the near future are, then, high.
- 4. Whether civilians such as Luder or the moderately conservative officers who now control the Armed Forces, whoever replaces Mrs. Peron is likely to be fairly well disposed toward and to follow essentially the same policy Argentina now pursues with respect to the U.S.
- 5. The immediate alternatives are, then, likely to be acceptable to us. Should they too fail, however, frustrations would mount to really dangerous levels and extreme solutions would become "thinkable" in Argentina. In this situation all our interests, long-range political as well as economic, would be threatened.

ISSUE RESOLUTION

Recommendation: The U.S. should maintain normal, correct relations with Mrs. Peron's government. We should, however, avoid over-identification with her; first of all because she

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is not likely to last very long, and secondly because she has not proved a force for the kind of stable, responsible government under which our interests in Argentina would be maximized. We must bear this latter consideration in mind as we evaluate and adjust our posture to future governments. What we would like to see in Argentina is a government which will adopt and carry out sound, responsible economic and political policies. both domestically and internationally. Such a government might or might not be democratic, and it might or might not be constitutional. It might be military or civilian. viable, it would have to enjoy at least the tacit acceptance of the majority of Argentines; but its specific nature and structure are internal matters for the Argentines themselves to work out. What we are interested in is its policies and how they impact on our interests. We should encourage responsible economic policies in any way we can, just as in the political sphere we should encourage the strengthening of the institutions and a rule of law. A government which seems to be moving in that direction should receive a warmer embrace than one that does not. We should not help one which has not adopted such policies. Likewise, we should signal our support, through, for example, high-level visits to Argentina and return invitations to visit the U.S., for a government which seems to be restoring consensus and rule of law. We should avoid such supportive measures in the case of governments which are patently contributing to further political malaise -- as is Mrs. Peron's at the moment.

Reasons for Recommendation:

Our primary objective in Argentina is not the securement of a democratic system; rather, we would like to see a viable, responsible government which will deal with its economic/ financial and political problems so that it and the USG can work together pragmatically on bilateral and multilateral issues of mutual interest. If it is democratic and constitutional, so much the better, but it is of secondary importance. Not only would our investments be safer and our market prospects better, but, more importantly, an Argentina under that kind of responsible, government would be far more useful to use in pursuit of our long-range political goals, both in the hemisphere and in the world at large. Further, the last thing we want to see in Argentina is the government in the hands of irresponsible extremists. Hence, we should follow supportive policies-to the extent that we can -- vis-a-vis governments that offer viable solutions to the country's problems--i.e., solutions that will obviate any tendency to turn to the extremists.

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STATEMENT OF ISSUE NO. 2

How can the United States Government best protect United States investment interests during the CASP period?

IMPORTANT ASSUMPTIONS

- 1. Under any foreseeable regime during the CASP period, investment problems will continue as a major source of potential bilateral conflict. Further nationalistic ventures are not anticipated, except possibly in the petroleum sector where nationalistic sentiment runs high. However, several outstanding nationalization cases remain to be cleared up (EXXON, Standard Electric, Deltec, U.S. banks). Other investment related issues which are likely to cause problems include restrictive laws and regulations, cases of discrimination (a good example is restrictions on local credit to foreign companies), GOA price policies, tax problems, import and capital controls, and general economic programs adversely affecting U.S. investment.
- 2. Notwithstanding, there are reasonable prospects for an improved investment climate and a better atmosphere for resolving pending and future bilateral problems during the CASP period. The current economic team is seeking resolution of outstanding bilateral investment problems to pave the way for new capital inflows. The GOA knows that future capital inflows, both loans and investments, could be affected by the outcome of these issues. Revision of foreign investment legislation and new measures to improve the foreign investment climate are quite possible during the CASP period—although not perhaps immediately.
- 3. Despite these developments, no significant increase in U.S. investment is expected beyond the current \$1.4 billion figure. The economic and political situation is likely to remain too uncertain and investor confidence will take time to restore. In the short run, the danger is that some U.S. companies may be forced to close, creating a domestic political problem. There are a number of U.S. companies which would like to leave Argentina altogether, and U.S. capital outflow from Argentina over the short run is a strong possibility.

ISSUE RESOLUTION

Recommendation: The USG has a policy interest in, and a legislative responsibility to resolve investment disputes in a prompt, effective and adequate manner. It should, therefore, continue to employ its good offices to resolve the outstanding disputes in Argentina. In discussions with the GOA, U.S. officials should frankly point out the possible consequences of not resolving, in accordance with U.S. Policy, the outstanding investment disputes. These include, among others, denial of GSP eligibility and a negative U.S. vote on Argentine loans in the IFIs. The GOA should be reminded that the private sector's reaction to a poor investment climate, which cannot be quantified, is of far greater importance to the Argentines than any action the USG could take. The dearth of new private capital flowing to Argentina over the past several years is a reasonable indication of the private sector's reaction.

The USG interest and concern in the expropriation disputes, as well as the economic/commercial policies pursued by the GOA which destroy or erode the investment and production incentives of the private sector, ought to be brought to the attention of GOA officials during high-level bilateral meetings.

The USG should, before such sanctions as denial of GSP eligibility and a negative vote on Argentine loans in the IFIs are invoked, carefully consider the effect political instability has had on the GOA's inability to resolve disputes. It should also weigh the impact the imposition of these sanctions might have on ultimate resolution of the cases, and the effect on our overall interests in Argentina.

The Embassy should be alert to and report on new nationalistic initiatives of the GOA and all policies and practices which have the effect of discriminating against foreign private investors, with emphasis on U.S. investors. To the extent practicable, nationalistic initiatives and unsound economic/commercial policies should be dealt with before they surface as public issues or laws. In this regard, the Embassy should report on and recommend action to counteract such initiatives as soon as they appear to have a reasonable chance of becoming law.

Meanwhile, the USG, when asked by the private sector, should attempt to provide as accurate an economic, financial, and political description of Argentina as is possible. Investors shall not be encouraged to invest, remain or withdraw from Argentina.

Reasons for Recommendations:

- 1. The USG has established fruitful contact with Minister Cafiero and the present economic team. It appears the GOA is now seriously moving to clear up outstanding bilateral problems. The U.S. should follow up this favorable trend at least until it is clear positive results will not be forthcoming.
- 2. Many Argentines are now disenchanted with the adverse results of nationalistic ventures and restrictive foreign investment regulations. There seems to be a trend favoring a more realistic attitude toward foreign capital. If it continues, the political climate may be auspicious for initiating stronger pressure to revise the Foreign Investment Law, the Transfer of Technology Law and to introduce other improvements in the investment climate.

Alternatives:

- 1. The USG could adopt a tougher posture on investment problems making use of various sources of leverage. The principal ones include opposition to Argentine loan requests in IFIs, exclusion of Argentina from GSP, and less bilateral support in general. Past GOA domestic economic policies have manifestly failed adversely affecting U.S. business interests. Adoption of strong USG pressure at this point might induce the government to introduce long delayed reform.
- 2. The USG could back off entirely from involvement in investment problems. This posture would avoid intergovernmental confrontation, enabling the USG to focus on priority political objectives.

STATEMENT OF ISSUE NO. 3

How should the U.S. react in case of further GOA requests for financial assistance?

IMPORTANT ASSUMPTIONS

1. The situation of the economy is likely to remain extremely serious during the CASP period. Some upturn is considered possible if this government, or a successor, is able to reestablish political authority. However, recovery will be neither rapid nor easy. Inflation is currently running at an annual 258% rate, and three digit inflation levels are expected to continue in 1976. The government seeks fiscal reform, but has yet to implement specific measures to achieve it. The treasury deficit is likely to remain a key domestic problem. Thus far, the GOA has failed to demonstrate it has the political authority to impose discipline on labor union wage requests exceeding productivity. The salary question

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is likely to remain a potentially explosive economic/political issue. Industrial output will continue to suffer from several factors including, particularly, domestic and import shortages. There is no indication yet of an increase in domestic investment.

2. In the above situation, balance of payments conditions are likely to remain extremely precarious. The credit package which the GOA recently negotiated will provide temporary financial relief through year-end 1975, but it does not constitute a fundamental solution to Argentina's external problem. A significant portion of 1975 debt has been rolled over, or refinanced with short-term credits, thus adding to financial burdens in 1976 and beyond. The GOA has forecast strong export performance for 1976 and initial grain export prospects appear favorable. Even with strong exports, however, considerable capital inflow will be required in 1976 to repay debts and to maintain imports at adequate levels. There is a good possibility that the GOA will require substantial additional credits early in 1976 and will come to the U.S. for further assistance.

ISSUE RESOLUTION

Recommendations: While it is impossible to foresee all circumstances which might lead to a future GOA request for new financial assistance, the following principles would be relevant. The USG should seek to limit its involvement in Argentina's external financial crisis. U.S. financial support for balance of payments problems is not available. The International Monetary Fund has the monetary and personnel resources available for assisting countries that are going through balance of payments difficulties. In addition to having the financial resources to help finance the gap it also has the expertise available to help develop a sound economic stabilization and recovery program. Utilization of these IMF resources would be a clear signal to the private capital markets that the GOA is prepared to deal with its problems. Private capital flows can then be expected to resume flowing. Therefore, the GOA should be encouraged to exhaust the facilities available to it in the Fund. should continue to support the GOA, to the extent that it is reasonable, and its dealings with the Fund. We should support realistic Argentine loan requests from the IFIs.

The USG should periodically review its own financial programs, ratings, and regulations (Exim, Comptroller of Currency, and OPIC) as they relate to Argentina to be sure that they are current, fair and generally consistent.

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Reasons for Recommendations

- l. At this time, we do not foresee any political developments or economic justification which would warrant direct USG financial support for Argentina's balance of payments problems. Argentina's external financial crisis is largely of its own making, and direct U.S. assistance normally would not be appropriate. However, the USG should maintain enough flexibility to deal with special developments.
- 2. Argentine recourse to commercial bank credits is costly and provides only temporary relief as opposed to more fundamental reforms which are required. USG intervention should be minimal necessary to provide us with political leverage.
- 3. The USG has a responsibility to provide cooperation to a major Latin neighbor suffering acute financial problems. the USG can best render assistance by ensuring that its own financial programs and regulations affecting Argentina are current and fair. Systematic and coordinated review of these programs should help to relieve GOA suspicions of bias against Argentine interests. Moreover, it is in the USG interest to remain as competitive as possible in the Argentine market despite current financial difficulties.
- 4. Argentina's financial problems can be best resolved on a long-term basis through the International Monetary Fund and other IFIs. U.S. encouragement of realistic Argentine activities in the IFIs can help to break down Argentina's long-standing, and counterproductive, reluctance to deal with these institutions.

Alternatives:

- I. The USG could again make a full-scale effort to provide assistance for Argentina if requested. This policy would give us maximum political leverage and could contribute toward political stability here. With USG support, Argentina's efforts to obtain financing from other friendly sources would be facilitated. Without it, Argentina might look increasingly toward the Socialist or Arab orbit for assistance.
- 2. The USG could adopt a totally negative posture regarding future GOA financial requests. This policy might be extended to include punitive actions such as reducing Argentina's credit rating and/or failing to support Argentine loan requests in the IFIs. Such a hard line might help to provoke reforms which thus far have not been forthcoming.

INTEREST, POLICY AND RESOURCE ANALYSIS

L. World Order

The US interest in World Order as it relates to Argentina is seen most clearly in the following areas of concern:

- (a) Argentine support for our efforts to establish a more fruitful relationship with Latin America and a more responsive CAS system.
 - (b) Argentina's support in other international fora.
- (c) That Argentina play a positive rather than a destabilizing role in the Southern Cone.
- (d) Argentina as a bridge between Developed and Lesser-Developed.

Argentina's Support for US Efforts in the Hemisphere

As one of the three or four major countries in the area, Argentina could be extremely useful to US efforts to develop a new, more mature, mutually-beneficial relationship with Latin America. Argentina is in a better position than most to generate votes among the other Latin American nations in the OAS and to play an intermediary role. However, it goes without saying that Argentina cannot long play a major role of this sort unless and until she puts her own house in order. Increasingly, Argentine attention is focused inward (see below).

Argentine Support in International Fora

Argentina has often been helpful to the US in international bodies and has played a generally responsible role in those organizations. Hopefully, she will continue to do so, and we should find ways to encourage her in this direction.

Positive Rather Than Disruptive Argentine Role in the Southern Cone

Just before Peron's return, many feared that a revived nationalist spirit in Argentina would increase tensions in relations with Brazil and disruptive efforts to manipulate smaller neighbors to her own advantage. This has not happened. In part, that it has not is due to the internal uncertainties Argentina has experienced since Peron's death. Argentines instinctively recognize that pretensions of hemispheric leadership are groundless unless they put their own house in order. On the other hand, these very internal problems could also produce the opposite effect—i.e. a disruptive rather than a retractive reaction. An Argentina rent by chaos could represent an acutely

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destabilizing factor in the Southern Cone. Argentina's neighbors are already concerned over the rampant terrorism in Argentina, fearing that it may lap over into their own borders. Should there be a major breakdown in Argentina and the government falls into irresponsible hands, or the hands of extremists hostile to us, our interests in the whole Southern Cone could be adversely affected. Conversely, an Argentina led by a stable, responsible government could be a distinctly positive force in the Southern Cone.

Argentina as a Bridge

On the world stage, too, a stable Argentina led by a responsible, friendly government could play an important role in helping to forge a more harmonious world order, which we have defined across the board as being in our interests. Its position as one of the world's major food exporters militates in favor of such a role. Even more so perhaps does its almost unique position as a bridge between developed and poor nations. Ethnically European and a basically wealthy country (even though its economy is temporarily in a state of disarray), Argentina has the mentality of a developed country, but is at the same time a participating member of the Third World. It is, then, in a position to perceive and understand the points of view of both. Argentina could do much to interpret the views of the two sides, one to the other, and to influence of third World positions in more responsible directions. It must have a firmer domestic base if it is to maximize such a role, but the potential is there and could be extremely useful to us in the future.

Nonproliferation

Argentina's capability in the nuclear field, announced plans for a national nuclear industry, and prospects for nuclear growth, including even, eventually, a nuclear weapons capability, remain a source of concern for the U.S.

The U.S. should maintain close contact with the Argentine nuclear program and be alert to all possible ways of influencing Argentina to pursue a course which would not lead it to the point of developing a nuclear explosives capability.

ANTICIPATED CHALLENGES AND OPPORTUNITIES

-The US cannot realize the maximum advantages from a partnership with Argentina in the international arena unless and until Argentina enjoys a sounder, more durable domestic base. Hence, the first challenge is to encourage Argentina toward stable, responsible government. This is in large part dealt with in Issue No. One. Thus, while it is raised as a challenge here, no resolution or action will be suggested.

--To keep Argentine decision makers from losing sight of foreign policy objectives and international programs we favor. Argentina is increasingly taken up with its domestic problems. Like a dead star, there is a tendency to collapse inwardly upon itself. There has been no Argentine Ambassador in Brazil for over a year now (with the exception of Robledo's three-day tenure) despite the importance of that country to Argentina. The Foreign

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Ministry has been virtually leaderless since last May, when Vignes turnel his attention to domestic politics. Meaningful exchanges with the Ministry have therefore become increasingly difficult. Indeed, it is not easy these days to get an answer to routine questions. The career people in the Ministry are willing enough, but they are not getting guidance and authorizations from higher up the line.

--Argentina will probably remain unwilling to associate itself with the NPT or the Nuclear Free Zone, particularly if Brazil does not sign (which it doubtless will not):

PROPOSED ACTION PLAN:

OBJECTIVE 1: Seek to encourage Argentine policies in Latin America in a direction favorable to US objectives in the area.

Estimated FY-76 Resources (000) Estimated FY-77 Resources (000)

OBJECTIVE 2: Seek to encourage Argentina to play a positive, harmonious role in the Southern Cone.

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

OBJECTIVE 3: Seek to encourage Argentina to play a responsible role in international fora.

Estimated FY-76 Resources (000) Estimated FY-77 Resources (000)

OBJECTIVE 4: To encourage Argentina to associate herself with the NPT and Nuclear Free Zone-though with little chance of success.

Estimated FY=76 Resources (000) Estimated FY-77 Resources (000)

OBJECTIVE 5: To seek to encourage closer Argentine relations with U.S. and, as appropriate to the furtherance of U.S. interests, with democratic Inter-American and international labor organizations.

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

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OBJECTIVE 6: Capitalize on Argentina's role as a moderate spokesman in the Third World countries.

Estimated FY-76 . Resources (000)

Estimated FY-77 Resources (000)

2: US NATIONAL DEFENSE

The US interest in National Defense as related to Argentina is reflected as follows:

- (a) Preservation of a basic pro-US orientation of the Argentine Armed Forces through broadened professional contacts.
- (b) Insurance of availability of forces, territory and facilities for strategic interests of the US.
- (c) Insurance of Argentine capability to defend itself from internal and external forces hostile to the United States.
 - (d) Reestablishing the US as a major source of Argentine arms.
 - (e) Preempting other foreign military influence, especially the Soviets.
 - (f) Master Data Exchange Agreement.

Preservation of Pro-US Orientation

The Argentine officer corps is highly nationalistic. However, due to US training, military sales and former grant aid programs, it is very favorably inclined towards the US. Through maintenance of a sufficiently high MAP-T level to accommodate local needs, and FMS credit levels for equipment purchases, contacts will be maintained to prevent search for third country assistance. Equally important is US responsiveness to providing assistance in obtaining sophisticated systems for force modernization. Preservation of propUS orientation is also greatly facilitated through continued participation in Joint Exercises and personnel exchange programs.

Availability of Forces, Territory and Facilities

The Armed Forces' posture is essentially oriented towards internal order; hence, the Argentine forces are of little potential use in support of total US Force Policy Concept except for some Naval ASW, coastal defense and Air Force ocean surveillance capabilities. Except

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for possible token force contribution to UN or OAS peace-keeping missions, moreover, Argentina would be unlikely to commit forces in any action unless Argentine security were directly threatened. From the strategic standpoint, however, given the importance of the South Atlantic sea lanes and the increased importance the passage around the Horn would take on should the Panama Canal be closed, Argentina is important.

Insurance for Self-Defense Against Internal and External Threat

While the Argentine Armed Forces have no specific external threat directed against them by any particular country, they are undergoing force modernization which through current programs demonstrate an understandable desire for improved capability against the external threat. For both the Navy and Air Force, this is highlighted by efforts to improve its capability against an external threat. The Argentine Army, however, is directed against a very real internal threat. This internal threat is a continually increasing insurgency which initially began its operations in urban areas, then expanded its activities to infiltration of the labor forces of the industrial areas surrounding the major urban centers (especially in the more heavily populated areas of central and northern Argentina). This guerrilla activity has now escalated to include attempts to "liberate" large rural areas in Tucuman Province (NW Argentina) and is reportedly preparing similar operations in other provinces of central/northern Argentina, with a goal of eventually controlling the area north of an arc from Buenos Aires up to Rosario, across to Cordoba and west to Mendoza. The guerrilla successes have reached the point where the police and paramilitary forces can no longer handle the situation, and the Army has recognized that it must actively participate in counterinsurgency. This COIN role places many requirements on the Army that would not be true if the enemy were a conventional external foe. The Army is feeling its way in this new role and is stressing small unit tactics, SF-type training, airmobile operations, etc.

Reestablishing the US as a Major Source of Argentine Arms

An important step towards improved relations is reestablishment of the US as a dependable equipment supplier. To make US arms sales more competitive, provision of sufficient US Government credit through FMS is assential. Credit restrictions as well as those on certain sophisticated weapons systems serve only as a source of irritation, causing the military to look be third countries for their requirements. Argentina must be breated as a mature, equal hemispheric partner. The level of FMS credit to be given Argentina in FY 77, however, should be reviewed at the appropriate time taking into account Argentina's external debt-service problem and other pertinent factors.

ANTICIPATED CHALLENGES OR OPPORTUNITIES

The US can enhance better relationships with the military by continued professional contacts, personnel exchange programs,

guest instructors, orientation tours and responsiveness to training requirements.

At the same time, the US must be competitive in FMS and support the military in its desire for force modernization and standardization.

The proposed Master Data Exchange Agreement will permit exchange of research and development information between various military scientific agencies of the GOA and the US military. Specific items which the Argentine military are interested in, and are expected to be the first annexes of the Agreement, are microelectronics and solid propellants. Also of significance is a previous informal offer by the Argentine Army to share their knowledge and experience gained in development of the caseless round. It is expected that this will also be an early annex to be added to the Data Exchange Agreement.

SIGNIFICANCE OF CHALLENGES AND OPPORTUNITIES

The Argentine military, second only to Labor/Peronism, is the most important power base in Argentina and can be expected to continue as such during the period. Maintenance of strong US military ties is essential to the successful achievement of overall US objectives.

PROPOSED ACTION PLAN:

OBJECTIVE 1: Maintain and strengthen effectiveness of COMUSMILGP, Argentina as the basic framework for collaboration between the Armed Forces of Argentina and the United States, encourage favorable attitude of Argentine Armed Forces toward the United States, and improve professional level of the Argentine military in operations, logistics and maintenance operations.

Estimated FY-76
Resources (000)

Estimated FY-77 Resources (000)

\$920 (MAP-T)

\$800 (MAP-T)

oBJECTIVE 2: The proposed FMS credit levels provide for foreign military sales at a level to be responsive to minimum modernization requirements of the Argentine Armed Forces at no detriment to the Argentine economy. All services will continue to upgrade and modernize aviation inventories. The high cost of aircraft is the critical factor in force modernization and should be moderated through increased FMS credit. In addition, the programmed increase in aircraft maintenance requires credits to support current and projected aircraft/equipment of US origin. Argentina has made a deliberate decision in favor of gradual force modernization and prefers to employ US equipment. Nevertheless, denial of security assistance, whether through legislative restrictions and sanctions or for policy reasons, will serve to undermine our influence with Argentina turning to third countries to obtain the desired equipment/training.

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

40,000 FMS - Cash 34,000 FMS - Credit

6,900 FMS - Cash 50,400 FMS - Credit

3. US ECONOMIC PROSPERITY

Major areas of concern for Argentina include the following:

- (a) Trade Relations
- (b) US Investment Interests
- (c) Financial Relations
- (d) Argentine Economic Development

Trade Relations

US exports to Argentina will be difficult to expand during the CASP period due to Argentina's external financial problems. Moreover, Embassy staff reductions have reduced our export promotion capability. In recent years, the value of US exports to Argentina have grown significantly, but our market share trend is down. The US share of the Argentine market in 1975 is estimated at approximately 17%.

The GOA will be likely to press exports in the US market vigorously during the CASP period. Argentine exports to the US dropped sharply in 1975, principally are to overvaluation of the peso, and the GOA will seek to recover lost ground. The bilateral trade imbalance favoring the United States will continue as a friction point.

Trade policy issues of special interest to the GOA during the CASP terms of the Jakely to include Argentine participation in GSP, US restric-

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tions on Argentine meat exports, and US countervailing duty and escape clause actions affecting Argentine exports. Those of particular interest to the US include Argentine import control mechanisms, export subsidy programs, and participation in the MIN. The issues are difficult and represent a potential source of bilateral political confrontation.

US Investment Interests

Investment related problems will continue to strain bilateral relations during the CASP period. However, there are reasonable prospects for an improvement in the foreign investment situation-it couldn't be much worse. In the current economic crisis, the government is not likely to undertake new nationalistic ventures. Instead, the trend is toward a more reasonable attitude toward foreign investment. This trend is likely to continue under this regime, or a successor. The present economic team is seeking resolution of pending bilateral investment disputes to pave the way for new foreign investment. Modification of foreign investment legislation and new measures to improve the investment climate are quite possible during the CASP period.

Maintenance of Constructive Financial Relations

Balance of payments conditions are likely to remain difficult during the CASP period. In 1975, the financial crisis was handled by the help of short-term credits and debt roll over. These credits provide temporary relief, but add to the already heavy debt burden due in 1976 and beyond. If 1976 exports do not materialize as anticipated, Argentina probably will look to the US for further balance of payments assistance.

Promotion of Economic and Social Development

The economic situation has deteriorated rapidly this year, adversely affecting US trade, investment and financial interests. The downturn also has produced destabilizing domestic effects including demoralization of the private sector, increased corruption, political and social instability and strong pressure for unconstitutional extremist solutions. Prospects are for continued economic disorder and confusion until political authority is restored-either under this regime or a successor. Once this has occurred, improvement in economic conditions will become possible. Total economic deterioration leading to generalized chaos is not anticipated.

The U.S. has a significant interest in Argentine economic and social development. Higher living standards promote political and social stability, expand opportunities for U.S. products and capital, and generally help reduce bilateral tensions. As possible, the U.S. should encourage Argentina to follow flexible, open, and outward-looking development policies and to play a constructive role in international trade and financial meetings.

The Argentine economy is still distorted from previous control programs. Inflation is the major short-term problem; the rate in 1975 could easily exceed 250 percent. Over the long term, Argentina, with excellent natural and human resources and no important energy problem, is in a favorable international position for sustained growth.

ANTICIPATED CHALLENGES AND OPPORTUNITIES

Challenges

⁽a) Maintaining and expanding US exports to Argentina in view of

Argentina's external financial problems and limited US export promotion capability. Also, avoiding a major trade dispute involving bilateral political confrontation.

(b) Limiting US involvement in Argentina's external financial crisis, while still offering cooperation to an important Latin neighbor.

Opportunities

- (a) Resolving outstanding bilateral investment problems and helping to promote an improved foreign investment climate.
- (b) Encouraging and supporting more realistic economic recovery measures.

SIGNIFICANCE OF CHALLENGES AND OPPORTUNITIES

While the US must anticipate further economic confusion in Argentina, the outlook may not be all black. The orientation of economic policy is more reasonable now—an encouraging sign. As Argentines themselves point out, the country must initiate a realistic economic program or risk total collapse—further experimentation and indecision is not possible. If economic progress is not forthcoming soon under a constitutional regime, it will likely be imposed by a military one. Either way, US trade financial and investment interests could benefit. This does not mean the USG can relax efforts to seek its objectives, but it does mean there may be opportunities to pursue them in a more favorable environment during the CASP period.

Our strategy should be forward looking in anticipation of an upturn once political order is restored—recognizing this may take some time. A hardening of the US attitude toward Argentina now, while understandable in the light of past developments, would be ill-timed and counterproductive in the Embassy's view. Over the past two years, a policy of bilateral cooperation has helped to reduce the adverse impact of economic deterioration on our trade, investment and financial interests. In the future, this strategy could pay off in concrete economic advantage. Argentina desperately needs US capital, technology and products. It will seek these items provided the overall political climate is favorable. A recovering Argentina closely linked to the US would strengthen the US economic posture in this area of the world.

PROPOSED ACTION PLAN:

OBJECTIVE 1: Increase US Exports to Argentina: With limited Embassy personnel, our major emphasis should be on big ticket items in key areas such as hydroelectric power and petroleum. Strong support from the Export-Daport Bank would be helpful, when country conditions permit.

Estimated FY-76 Resources (000) Estimated FY-77 Resources (000)

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OBJECTIVE 2: Avoid Political Confrontation Over Trade:

Issues: A flexible USG posture regarding Argentine participation in CSP would be desirable, particularly considering Argentina's external financial problems and bilateral trade deficit. Appropriate coordination between the Embassy and the GOA should be maintained on MTN issues and US trade laws and regulations.

Estimated FY-76 Resources (000) Estimated FY-77 Resources (000)

OBJECTIVE 3: Protect and Advance US Investment Interests:

(See Issue No. 2)

Estimated FY-76 Resources (000)

Estimated FY-77
Resources (000)

OBJECTIVE 1: Maintain Constructive Financial Relations:

(See Issue No. 3)

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

OBJECTIVE 5: Promote Economic Growth:

The US has no direct bilateral AID program to Argentina and its capacity to influence domestic economic policy formulation is limited. However, the following US activities can be helpful:

(a) continued support for domestic groups and institutions favoring realistic economic programs;

(b) more frequent visits to Argentina of senior USC economic officials.

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

4. OTHER INTERESTS

(a) Favorable Disposition of Argentines Toward the US

There is a dichotomy in Argentine/US relations. On a purely bilateral basis, the Argentines hold a basically favorable opinion of the United States. However, Argentina's cohesion with the other Latin American states leads Argentine leaders to question, if not object to, certain aspects of US foreign policies such as the Trade Act of 1974 and the New Dialogue, while her membership in the Third World often aligns, her against the US and other developed countries. It should be noted that USIS activities support CASP Interests 1 and 3 and that a major portion of USIS resources are devoted to developing official and public support for U.S. policies concerned with those Interests.

Esti	Lmated	FY-76		Est	imated	FY-77
Resc	ources	(000)		Res	ources	(000)
÷		•	0			
	1897	• • •			2100	
29 0	(CU)		•	275	(CU)	

(b) Control of the Movement of People and Goods to and from the US

The GOA is increasingly concerned about the use of drugs, particularly by the youth, and we have had both formal and informal assurances of cooperation from senior members of the GOA. On the working level, the Federal Police narcotics unit. now has nationwide responsibility, a major step in improved enforcement while the Border Patrol is forming a special unit. Cooperation with DEA is excellent. Currently Argentina houses perhaps ten major heroin traffickers who are safe from the local legal system. Getting them under US court authority seems possible and plans are under consideration. indications that European heroin is again transiting Argen-Andean cocaine also transits the country and some cocaine laboratories now are operating in the remote northwest. Using CCINC funds we have provided some equipment to the police and Border Patrol, and propose additional inputs in these organizations and into Customs. .

Estimated FY-76
Resources (000)

25 (CCINC)

Estimated FY-77
Resources (000)

25 (CCINC)

SECRET

Argentina and the World Food Crisis

Argentina is one of the world's richest agricultural nations, but its agricultural potential has not been adequately exploited. GOA policies have held down agricultural prices to provide inexpensive food for the industrial working class, discouraging production and stimulating domestic consumption. Insufficient development of the agricultural sector has been a primary factor behind the recurrent external crises which have marked Argentina's post-war economic development.

Currently, the GOA is looking to the agricultural sector for strong production and exports in 1976 and 1977 to surmount the present external financial crisis. It is according higher priority to agricultural problems and improving incentives. In this climate, we believe expanded contact between senior US and GOA officials responsible for agricultural policy could produce constructive results. The GOA is likely to be more receptive to USG suggestions in the agricultural area and to adopt a more moderate and constructive posture regarding world food problems.

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

Antarctica

The US should consider making a concerted diplomatic effort to reach some agreement with Argentina (and other Antarctic sovereignty-conscious countries) on the issue of development of Antarctic resources. Such an effort could possibly head off what otherwise might become a divisive aplit which could adversely affect the excellent US/Argentine cooperation in Antarctic research and logistics, or might have even more serious consequences for our relations.

Estimated FY-76 Resources (000)

Estimated FY-77 Resources (000)

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Table 1

SUMMARY OF FINANCIAL RESOURCES BY US AGENCY AND OTHER MAJOR DONORS

The second secon	US DOLLAR RESOURCES (OOO)						
- US ACHMOIRS	FY 74	FY 75	FY 76	11			
State	Actual Actual	Actual	Pln.	Plu.			
Salaries and Expenses							
Program	837	-1,156	1,500	(1,0)(8)			
Shared	1,513	1,915	2,600	2,000			
Representation Allowance	104	14	1 5	16			
FBO	915	1,189	1.,400	1,700			
Cultural Program (CU)	299	363.5	290	275			
Other (FSL)	.5	6	7	8			
ATD				*			
RTAC	OF	114					
Narcotics	95 347	1.1.4		·			
RHUDO/APU - Not available B.A.	3/1/]			
Administration	362	348					
		,,,,,,,	***************************************				
USIS	1			,			
PAO Resources	1,779	1,682	1,931	2,540			
DOD .		<u> </u>					
FMS - Orders (Cash & Credit)	8,618	14,100	40,000	6,950			
FMS-Credit Agreement**	22,500	30,000	34,000	50,406			
T-9AM	499	100	920	800			
The level of FIS credit to be a	given Argent						
The level of FMS credit to be a reviewed at the appropriate time debt service problem and other AGRICULTURE	me, taking i	nto account A	rgentina's e	kternal			
ACRICULTURE ACRICULTURE	percinent i	actors.					
Program - FAS, ARC	69	139	50	Gei.			
DFA							
	120	120	120	120			
D.DDEFATT							
Program	139	208	230	255			
Administration FAO	25	29	3 5	- ho			
F.41(7)	19	19					
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JUNTER	į			1			
Administration	110	100	1.20	120			
Administration	110	100	1.20	120			
	110	100	1.20 	120 50			

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	SECORT			

Table 2
GUMMARY OF PERSONNEL BY US AGENCY

	PERSONNEL TOTALS											
US AGENCIES	FY 741 Actual		FY75 ² Actual		FY 76 ³ Pln.		FY 773 Pln.					
State	OFF	CLK	FS L	OFF	CEK	FSL	OFF	CLK	FSL	OFF	CLK	FSL
Executive Direction Political Econ/Commercial Consular Administrative Subtotal	3 9 9 8 12 41	2 4 2 - 8 16	3 8 18 66 99	3 9 4 8 7 31	2 6 2 - 8 18	3 10 18 66 101	2 9 4 8 7 30	2 5 2 - 8 17	14 3 10 18 66 101	2 9 9 8 7 30	2 5 2 - 8 17	14 3 10 18 66 101
Total		156			150			148			148	
AID US Direct Hire Contract Local Total			7 1. 22 30	· ·		1. 10 11						
USIA US Local Total			12 <u>67</u> 79			8 58 66		425	- 8 58 66			8 58 66
DOP Marine Guards Attaché US Local MilGroup US Local			10 11 5 27		27 (13 11	19 10 5	21	1 3 (13) 9	19 1 (9) ⁷ 5		1. 29 (1 9	19 1 (9) 5 3) ⁷
AGRICULTURE (FAB/ARS/AFE US Local Total	155)	· · · · · · · · · · · · · · · · · · ·	3 1 7			2 1 ₄			O 14 14			O 14 14
HCD - Other FAC Total US Total Local	en e		<u>-</u>			2			1 -		- And Annual Control of the Control	1

ANNEX A Page 3

COMMERCE Total US Total Local	$\overline{l_1}$	-	-	
JUSTICE (FBI/DEA) Total US Total Local	11 ¹ 4 1	9 ⁵ .	76	7
TRANSPORTATION Total US Total Local	1	1	1	1

¹⁻ As of June 30, 1974 2- As of April 1, 1975

³⁻Assumes no additional reductions for security reasons

⁴⁻ FBI-4 DEA-7

^{5 -} FBI -2 DEA-6

⁶⁻ FBI-2 DEA-L

⁷⁻Figures in parentheses reflect implementation of temporary reductions requested by the US Ambassador because of the terrorist threat. (DOD supports returning to the JMP level necessary for mission accomplishment as soon as possible.)

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COLLECT CHARGE TO

Amembassy BUENOS AIRES

E.O. 11652:

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AGS:

PINT, PGOV, MILI, PFOR, AR

Videla's Moderate Line Prevails

ACTION:

Secstate WASHDC

PRIORITY

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- IA PAZ

- MEXICO CITY
- MONTEVIDEO
- SANTIAGO

SECRET BUENOS AIRES 2061

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1. Summary: It is too early to make any firm predictions concerning final success of the experiment in govt undertaken by the Armed Forces on Mar 24. Even so, with Videla now named Pres and his new cabinet now named, it is perhaps a convenient moment to report several short-term conclusions: a) Videla is at least for the property time being in a strong enough position to keep the hardliners in check and impose a moderate approach; b) The terrorists are likely to keep a relatively low profile for the next few weeks, especially in view of the fact that the Armed Forces have launched a massive drive against them; c) The new

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govt has not yet presented its full economic program, but the

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approach evidenced so far is encouragingly pragmatic and deliberate, and d) Once the govt begins to impose an austerity program, labor reaction may stiffen, but so far it has been almost nonexistent; indeed, absenteeism reportedly ceased to be a problem almost the day after the coup. The USG of course should not become overly identified with the Junta, but so long as the new govt can hew to a moderate line the USG should encourage it by examining sympathetically any requests for assistance.

End Summary.

2. The coup d'etat which culminated during the early hours of Mar 24 can now definitely be judged as moderate in character. In their first statements the three members of the Junta indicated they had taken power only to save the country and that their takeover was not directed at any group or sector. They did not attack the memory of Gen Peron, nor did they say anything derogatory about Peronism or any other party. They have arrested some high officials such as Raul Lastiri, Julio Gonzalez and Gov Carlos Menem who are believed to be guilty of malfeasance or abuse of power and they have rounded up a good number of suspected terrorists. But it is now clear that there have been no massive arrests. No one has been put against a wall and no one has been pulled in simply because they happened to be a Peronist or

because they served in the last govt. Most congressmen, governors and other deposed officials have simply been told to go home. Mrs. Peron herself is in custody but clearly the Junta does not intend to make a martyr of her. If there is an investigation of her questionable activities, it will probably be a fair one, and if she is convicted, her sentence is likely to be nothing more than exile. Indeed, many in the military would like to put her on a plane to Madrid even without an investigation.

- 3. Several extreme left-wing parties, mostly Trotskyite and Maoist in orientation, have been banned, but the charters of other parties, including the orthodox Communist Party (PCA), remain inforce. Political activity is suspended temporarily and the various parties have had to remove signs and slogans from their headquarters. Their organizations are intact, however, and several of the Embassy's sources within the parties have expressed hope that limited political activity may resume within six months or so.
- 4. Prior to the coup, there had been fears that hardline commanders in the field might exceed their orders and arbitrarily shoot or arrest any labor leader, Peronist or leftist they did not like. As indicated above, however, this did not happen. Videla and his moderate

colleagues kept the hawks in line. Further, the smoothness with which the coup was carried out and the way in which it was accepted by the people did much to enhance Videla's image. Probably at least for the next several months, therefore, his position relative to that of the hardliners will be overpowering. It is most unlikely that any of them would try to move against him. If they did, they would lose. Thus, for now, Videla's moderate policies seem safe.

- 5. If fending off the hawks was Videla's first concern, coming to grips with the terrorists was his second. Indeed, in order of importance the second outranks the first, but the new govt needed a firm political base in order effectively to confront the terrorists and thus its first thought had to be for institutional unity. With that now assured, at least for the time being, the Armed Forces have launched a nationwide effort against the terrorists. Many suspected terrorists have been rounded up. Widespread searches are being conducted and shifting roadblocks have resulted in the capture of several guerrillas in Cordoba and elsewhere.
- 6. For their part, the guerrillas are likely to continue some hit-and-run operations such as today's assassination of a Police Commissioner, but they will probably keep a fairly low profile for the next few weeks. Tactically,

they will probably want to get the lay of the land and wait for the military to drop its guard. Strategically, they probably hope popular opinion will begin to swing against the military govt within a few weeks. That would be the time to move. They may have some recalculating to do, however, for so far the military have not behaved in the repressive way the terrorists seem to have expected. If Videla can hold to his moderate course, the guerrillas may be surprised to find several weeks from nowthat the govt continues to enjoy popular support.

7. Equally as pressing as the terrorist problem is that of the economy. The govt has not yet had a chance to present its plan, but the economic team is now in place and looks impressive. The contacts the Embassy has had so far with Econ Min Martinez de Hoz and some of his assistants indicate they have a firm grasp of the problems and hopefully will have a practical approach to follow ASAP. their solution. Detailed analysis of economic program will / 8. As encouraging as the new govt's own performance so far has been public reaction to it. Most Argentines were

DogTd:32735130 Page 161

glad to be rid of Mrs. Peron's pathetically incompetent

govt. But they did not rush into the streets to cheer

what the Armed Forces have done, but they have some

the Armed Forces or jeer the Peronists. They approve of

healthy reservations. They have seen military govts start off well before, only to fail further down the road. They hope this one will be different and at this point are willing to give it their support. But no one seems to expect miracles, and that is one of the most mature phenomenon about this coup. 9. Even Labor so far is quiescent. Absenteeism, for example, disappeared as a major problem on Mar 25. Many labor leaders have made their peace with the military and are willing to cooperate. For its part, the Junta has handled Labor intelligently and with prudence. Some of the more corrupt labor leaders have been arrested, but most leaders have been left alone. The CGT is intervened but most unions within it are functioning more or less normally. The crunch, however, has not yet come and will not until the govt introduces its econ program and begins to impose austerity measures. 10. US Position. This was probably the best executed and most civilized coup in Argentine history. It was unique in other ways too. The US has not been accused of being behind it, except by Nuestra Palabra, the organ of the PCA. The Embassy hopes to keep it that way. Clearly, we should not become overly identified with the Junta. That would not be good for them or for us.

SECORE

Nonetheless, Argentina's best interests, and ours, lie

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in the success of the moderate govt now led by Gen Videla. He has a chance of pulling Argentina together again, stopping terrorism and getting the economy going. His govt, moreover, has promised to solve quickly our various investment problems (Exxon, Chase Manhattan, Standard Electric, etc.) and to bring about a better climate in general for foreign investment. Should Videla's govt fail, that might on the one hand open the door to the hardliners, who would return Argentina to the polarization of the past and who, being more nationalistically inclined than the moderates, would not take as favorable an attitude toward the US and US investments. On the other side, Videla's failure could also bring about conditions under which the extreme left might have an opportunity to make a bid for power, which would clearly run contrary to all our interests. 10. Thus, while we should move discreetly and keep our distance, we should also, so long as the Videla govt sticks to a moderate course, look sympathetically on any requests for assistance it may direct to us.

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Declaratified Case: NW4 52962 Date:

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TAGS: MPOL, PINS, AR

SUBJECT: INR ANALYSIS OF DEVELOPMENTS IN ARGENTINA

- 1. COMMUNIQUES AND STATEMENTS ISSUED BY THE ARGENTINE JUNTA DO NOT CLARIFY HOW LONG THE MILITARY INTENDS TO REMAIN IN POWER, NOR WHAT POLICIES WILL BE IMPLEMENTED. SUCH EVIDENCE AS EXISTS, HOWEVER, INDICATES THAT THE JUNTA HAS PLANNED A MODERATE CONSERVATIVE APPROACH, FEATURING:
- --A HEAVY LAW-AND-ORDER EMPHASIS WITH TOP PRIORITY ASSIGNED TO THE COUNTERTER RORIST EFFORT.
- --A HOUSE-CLEANING OPERATION AGAINST ALLEGEDLY CORRUPT POLITICAL AND LABOR FIGURES, INCLUDING PLANS TO TRY PERON ON CORRUPTION CHARGES.
- -- A VO IDANCE OF A RABIDLY ANTI-PERONIST OR ANTI-LABOR POSTURE, AND AN ATTEMPT TO WORK WITH AMENABLE SECTORS OF THE POWERFUL UNION MOVEMENT.
- -- IMPLEMENTATION OF A MODERATE AUSTERITY PROGRAM WHICH WILL EMPHASIZE LESS STATE PARTICIPATION IN THE ECONOMY, FISCAL RESPONSIBILITY, EXPORT PROMOTION, FAVORABLE ATTENTION TO THE NEGLECTED AGRICULTURAL SECTOR, AND A POSITIVE ATTITUDE TOWARD FOREIGN INVESTMENT. 2. JUNTA 'S CAPABILITY: THERE IS LITTLE REASON TO BE SANGUINE ABOUT THE FUTURE OF THE MILITARY GO VERNMENT AND ITS ABILITY TO PROVIDE SOLUTIONS TO PRESSING PROBLEMS. THE TERRORIST MENACE CAN PROBABLY BE CONTROLLED, IF NOT ERADICATED, BUT DESIGNING AN ECONOMIC STRATEGY WHICH WILL PROMOTE RECOVERY WITHOUT PROVOKING WIDESPREAD OPPOSITION WILL BE DIFFICULT. THE AUSTERITY MEASURES FAVORED BY MANY EXPERTS, AS WELL AS THE JUNTA ITSELF, CANNOT BE ENFORCED WITHOUT CONSIDERABLE SACRIFICE ON THE PART OF A WORKING CLASS NOT INCLINED TO PAY THE PRICE. PERSISTENT EFFORTS TO ENFORCE AUSTERITY WOULD PROBABLY PRODUCE A

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WITHIN MILITARY CIRCLES THAT WOULD UNDERMINE THE JUNTA 'S ABILITY TO RULE. THE PATH WOULD THEN BE OPEN FOR ANOTHER GOVERNMENTAL SHIFT, PROBABLY INVOLVING THE EMERGENCE OF A NEW MILITARY FACTION WITH ITS OWN APPROACH.

- 3. PERON'S FATE: CONTRARY TO EXPECTATIONS, THE JUNTA HAS DECIDED TO DETAIN PERON WITHIN ARGENTINA AND APPARENTLY INTENDS TO TRY HER ON CORRUPTION CHARGES. THE OBJECTIVE IS PROBABLY TO EXPOSE IN DEFINITIVE FASHION THE ALLEGED IMMORALITY OF PERONIST POLITICS AND POLITICIANS AND, THEREBY, PREVENT PERON'S SUBSEQUENT RESURRECTION AS A MARTYR. HOWEVER, THIS TACTIC COULD EASILY BACKFIRE. ARGENTINES WILL NOT BEMOAN THE REMOVAL OF PERON, BUT THEY TEND TO VIEW HER AS A PATHETIC RATHER THAN A SINISTER FIGURE. THE PUBLIC MAY REJECT AN ATTEMPT TO MAKE HER SOLELY RESPONSIBLE FOR THE NATION'S ILLS. THE JUNTA WILL LIKELY MONITOR PUBLIC REACTION TO THEIR PLANS, AND LEAVE OPEN THE POSSIBILITY OF SIMPLY EXILING PERON.
- 4. US INTERESTS: US INTERESTS ARE NOT THREATENED BY THE PRESENT MILITARY GOVERNMENT. THE THREE SERVICE COMMANDERS ARE KNOWN FOR THEIR PRO-US, ANTI-COMMUNIST ATTITUDES, AND, IN FACT, ONE OF THE JUNTA'S EARLY STATEMENTS REFERS TO ARGENTINA'S NEED "TO ACHIEVE AN INTERNATIONAL STANDING IN THE WESTERN AND CHRISTIAN WORLD." INVESTMENT PROBLEMS WILL BE MINIMIZED BY THE JUNTA'S FAVORABLE ATTITUDE TOWARD FOREIGN CAPITAL, WHILE THE GOVERNMENT'S PROBABLE INTENTION OF SEEKING US AID, TANGIBLE AND/OR MORAL, TO OVERCOME PRESSING ECONOMIC PROBLEMS WILL PROVIDE ADDED INSURANCE AGAINST OPENLY ANTI-US ATTITUDES AND POLICIES.
- 5. HUMAN RIGHTS IS AN AREA IN WHICH THE NEW GOVERNMENT'S ACTIONS MAY PRESENT PROBLEMS FROM THE US PERSPECTIVE. SEVERAL THOUSAND ALLEGED SUBVERSIVES ARE ALREADY BEING

HELD UNDER A STATE OF SIEGE DECLARED IN NOVEMBER 1974,

AND THAT FIGURE WILL MOUNT AS THE SECURITY FORCES
INTENSIFY THEIR COUNTERTERRORIST EFFORTS. THE MILITARY'S
TREATMENT OF THESE INDIVIDUALS HAS BEEN LESS THAN CORRECT
IN THE PAST, AND WILL PROBABLY INVOLVE SERIOUS HUMAN
RIGHTS VIOLATIONS IN THE FUTURE. A HARBINGER OF THINGS
TO COME MAY BE CONTAINED IN THE JUNTA'S DECREE
ESTABLISHING THE DEATH PENALTY FOR THOSE ATTACKING
SECURITY PERSONNEL. THE SCOPE OF THIS PROBLEM COULD
REACH BEYOND THE TREATMENT OF SUBVERSIVES IF, OVER THE
COMING MONTHS, THE JUNTA ATTEMPTS TO ENFORCE UNPOPULAR
SOCIAL AND ECONOMIC POLICIES. KISSINGER
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WEST OF STATE

FROM

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CLASSIFICATION

£.0, 1652:

SUBJECT:

GDS TAGS:

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General Videla Begins to Control Right-Wing Terrorism?

ACTION:

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CONFIDENTIAL BUENOS AIRES

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Ref:

RD CHRON 1. Following Videla meeting with senior generals in which he made clear his desire that right-wing terrorism be brought under control (ref A), Legatt sources report that corps commanders, taking Videla's admonitions to heart, cracked down on police units which had been carrying out extralegal reprisals against suspected terrorists. Army officers went so far as to remove from police control those arrested terrorists who showed signs of maltreatment, transferring them to military bases where they are now receiving proper medical attention. In addition, military commanders are now engaged in producing on priority basis comprehensive list of those persons who have been detained on political, subversive or corruption charges since coup. While under pressure from Videla to produce list by end of this week, it appears likely

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CONTENTS AND CLASSIFICATION APPROVED BY

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that there may be some slippage as military commanders try to find out what happened to those persons originally listed as arrested by police but now unaccounted for.

- 2. On April 23 a government spokesman announced that in the future the press could not, without prior authorization from the government, publish accounts of terrorist attacks or publish reports about bodies found and presumed to be the work of some terrorist organization. The spokesman who released this information noted that the government felt itself to be "in a state of war" and was taking this action to deny terrorists publicity they need to keep their movements going. It was not, he emphasized, related to any broader issue of press censorship.
- 3. Comment: Fact that army commanders have moved to curb right-wing violence and have gone so far as to act against police seen as very encouraging sign by political observers. Embassy political contacts across broad spectrum of parties continue to voice their "surprise" that military acting in such moderate manner. With regard to press, reporting of terrorism is causing concern as observers wait to see how this new action will work out in practice.

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CONFIDENTIAL

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FORM 4-68 FS-413A

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 AT Ø8ØØ HOURS ON MARCH 24 MAJOR GENERAL LIJIS MARIA-MIRO, MILITARY ATTACHE OF THE ARGENTINE EMBASSY, DELIVERED TO THE DEPARTMENT OF DEFENSE THE FOLLOWING LETTER ADDRESSED TO MAJOR GENERAL HAROLD R. AARON, ASSISTANT CHIEF OF STAFF FOR INTELLIGENCE. DEPARTMENT OF THE ARMY:

Section of the sectio

"DEAR GENERAL AARON:

I TAKE THIS OPPORTUNITY TO ADVISE YOU OF CURRENT DEVELOP ... MENTS IN ARGENTINA, AND REQUEST THAT YOU TRANSMIT THIS INFORMATION TO THE HIGHEST ECHELONS OF YOUR ARMEDNEORCES. ANTHROUGH THEM. TO YOUR GOVERNMENT.

IN THIS REGARD, MAY I ADVISE YOU THAT:

FACED WITH THE CRITICAL SITUATION CONFRONTING OUR COUNTRY - LAWLESNESS AND OPEN TERRORISM IN THE STREETS LEADING TO A TERRIBLE LOSS OF LIFE, AN ABSENCE OF GOVERN-

MENT, AND INSTITUTIONAL AND ADMINISTRATIVE CHAOS _ THE MILITARY JUNTA, MADE UP OF THE COMMANDERS OF THE THREE ARMED FORCES, HAS TAKEN THE HISTORIC DECISION OF ASSUMING THE POWERS OF GOVERNMENT IN ARGENTINA IN ORDER TO SAFEGUARD OUR NATIONAL INTERESTS.

THE INVOLVEMENT OF THE ARGENTINE ARMED FORCES IN THE NATIONAL POLITICAL PROCESS IS AIYED, PRIMARILY, AT RESTOR-ING THE COUNTRY'S SOCIO-ECONOMIC, MORAL AND POLITICAL THE ARMED FORCES WILL TAKE ALL NECES at the traditional values of fine ar

NW 52968 DocId:32735130 Page 168

WILL CONTINUE TO BE RESPECTED. SIMULTANEOUSLY, THEIR INVOLVEMENT WILL PROVIDE FOR ALL MEASURES NEEDED TO ALLOW THE FULL DEVELOPMENT OF ARGENTINA'S NATURAL AND HUMAN RESOURCES, WHICH ARE OUR COUNTRY'S PATRIMOLY.

- 3. THE ACTION TO BE TAKEN WILL BE CARRIED OUT WITH DUE RESPECT FOR THE LAW AND WITHIN A FRAMEWORK OF STRICT JUSTICE IN ORDER TO GUARANTEE INTERNAL ORDER, SOCIAL PEACE AND AN ABSOLUTE RESPECT FOR HUMAN RIGHTS AND DIGNITY.
- 4. THE MILITARY JUNTA WILL FULLY RESPECT THE INTERNATION-AL OBLIGATIONS CONTRACTED BY THE ARGENTINE REPUBLIC AND WILL CONTINUE ITS TRADITIONAL FOREIGN POLICY, BASED ON INTERNATIONAL COOPERATION AND ON AN ABSOLUTE RESPECT FOR THE LEGAL NORMS WHICH GOVERN RELATIONS BETWEEN SOVER: IGN STATES. BASED ON THESE PRINCIPLES, THE MILITARY JUNTA GUARANTEES THE FULL PROTECTION OF THE LIVES, GOODS, INTERESTS AND RIGHTS OF FOREIGN NATIONALS LIVING IN THE COUNTRY.
 - 5. THE TRADITIONAL FRATERNAL RELATIONS WHICH HAVE UNITED, AND CONTINUE TO UNITE, OUR COUNTRIES AND OUR ARMED FORCES WILL BE MAINTAINED, AS FAR AS THE ARGENTINE REPUBLIC IS CONCERNED, WITH THE FIRMNESS AND RELATIONALLY MARKED THEM.

THANKING YOU IN ADVANCE ON BEHALF OF THE ARGENTINE ARMED FORCES FOR TRANSMITTING THE ABOVEMENTIONED INFORMATION, I REMAIN SINCERELY YOURS,

LUIS MARIA MIRO MAJOR GENERAL"

2. IN REPLY TO PRESS INQUIRIES THE DEPARTMENT IS REPORTING RECEIPT OF THIS LETTER AND THAT IT CONTAINS
ASSURANCES THAT INTERNATIONAL OBLIGATIONS WILL BE RESPECTED AND GUARANTEES OF PROTECTION OF THE LIVES AND PROPERTY
OF FOREIGNERS AND THAT THE USG HAS NOT YET TAKEN ANY
DECISION WITH RESPECT TO A REPLY. KISSINGER
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LIMITED OFFICIAL USE

INDICATE COLLECT CHARGE TO

FROM

Amembassy Buenos Aires

CLASSIFICATION SECRET

11652:

TAGS: SUBJECT:

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INFO :

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LABOR LEADERS' ACCORD WITH MILITARY ON POST-COUP RELATIONS

SecState WASHDC

/DOD WASHDC.

REF: Buenos Aires 1330 🕔 SECRET BUENOS AIRES

Important group of CGT and union labor 1. SUMMARY.

leaders have reached agreement with military on general aspects of post-koup/GOA/labor/relations.

Agreement calls for intervention of CGT and several labor leaders, but anticipate negotiations unions and arrest of certain/fungrigningxinkaxx leading to a continued functioning labor movement. END SUMMARY.

- CGT Executive Board Member called LabAtt for urgent meeting mid-day today (March 22) and gave following info. Source has been consistent source of reliable info and his comments are believed to accurately represent/position of important group of labor leaders who have been negotiating with military.
- 3. Agreement has been reached with military on which

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Mabatt: RGamble/pm

DRAFTING DATE TEL. EXT. 3/22/76

CONTENTS AND CLASSIFICATION APPROVED BY POL:WSmith

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4. Full military govt is expected to last only about eight days, following which several civilians will be

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m restlement protection rings are

brought in to replace interim military cabinet
ministers. Following are interim ministers as given to
labor leaders: Foreign Relations - Admiral Vañek;

Defense - BrigGen Jose Lopez; Interior - Gen C. Cardoso;

Economy - Gen De Las Heras; Justice - BrigGen Jose Gomez;

Labor - Gen Mazzola; Education - Admiral Fraguio; and

Social Welfare - Gen Bigñone. Gen Crespi is slated for

Buenos Aires Mayor. Source said there could be some

changes but that is current list. He also said they

expected Acindar Chief de la Hoz to become Economy

Minister later.

- 5. Source is slated to attend March 24 meeting in Uruguay with AFL-CIO officials. During LabAtt's presence in his office he received telephone call advising he had military guarantee that he and other members delegations (all of whom are within group negotiating with military) could depart tonight at 8 pm and return March 25. In addition to discussing ORIT question, group will also Ext explain to McLellan et al the position on military coup. Course had no time for coup, had outle in capacital this work.
- 6. According source, agreement with military was reached as his group aware that best hope to avert eventual

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on the contraction of the contra

leftist control of country was for military/civilian alliance. Agreement will enable labor movement to survive and to influence military to adopt rational programs. Labor leaders do not consider their cooperation with military as "traitorous" as it is necessary for interests of labor movement and workers. Although they are almost all Peronists, they accept fact that Peronist movement without Gen Peron is incapable of managing country's affairs. They do not expect military to execute labor or other officials so they believe international public opinion will accept what is "not a military coup or dictatorship but rather a military/ civilian effort to redirect nations efforts."

- Comment. Group negotiating with military are all important national and international labor leaders of democratic persuasion. They are also all staunch anti-communists and favorably disposed towards the U.S.
- 8. Although labor leaders view above as likely scenario following coup, there is no guarantee that moderate military leaders will be able to abide by accord. More radical military officers may force harder line vis a vis labor relations.

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IMMEDIATE ACTION

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FOLLOWING REPEAT USUN 5591 SENT SECSTATE DATED NOVEMBER 3.

QUOTE

A L USUN 5591

E.O. 11652: GDS

TAGS: PFOR, UNGA, KS, KN

SUBJECT: . 30TH UNGA- COMMITTEE ONE VOTE ON HOSTILE

RESCLUTION ON KOREA

REF: USUN 5462

1. IN 1914 IN UNGA COMMITTEE ONE, THE HOSTILE RESOLUTION ON KOREA WAS DEFEATED BY THE FOLLOWING VOTE: IN FAVOR 43; AGAINST 48 (US); ABSTAIN 38. IN 1975 IN COMMITTEE ONE, THE HOSTILE RESOLUTION WAS PASSED: IN FAVOR 51; AGAINST 38 (US); ABSTAIN 50.

2. IN 1975, THE COMMUNIST-SPONSORED RESOLUTION LOST FIVE (5) OF THE VOTES CAST IN ITS FAVOR IN 1974: JAMAICA (1974 IN FAVOR; 1975 ABSTAIN). KUWAIT 1974 IN FAVOR; 1975 ABSTAIN) NIGER (1974 IN FAVOR; 1975 ABSTAIN SIERRA LEONE (1974 IN FAVOR; 1975 AESTAIN) UGANDA (1974 IN FAVOR: 1975 ABSTAIN)

3. IN 1975, THE COMMUNIST - SPONSORED RESOLUTION GOT EIGHT (3) FAVORABLE VOTES IT DID NOT HAVE IN 1974: BURMA (1974 ABSTAIN: 1975 IN FAVOR) CAMBODIA (1974 AGAINST; 1975 IN FAVOR) CAPE VERDE (NEW MEMBER IN 1975). ETHIOPIA (1974 ABSTAIN; 1975 IN FAVOR) LACS (1974 ABSTAIN; 1975 IN FAVOR) MOZAMBIQUE (NEW MEMBER IN 1975) SAO TOME AND PRINCIPE (NEW MEMBER IN 1975) CAMEROON (1974 ABSTAIN; 1975 IN FAVOR)

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IN 1975, CUR SIDE LOST FOURTEEN (14.) NEGATIVE VOTES CAST IN 1974 AGAINST THE COMMUNIST-SPONSORED RESOLUTION: AUSTRALIA (1974 AGAINST; 1975 ABSTAIN) BRAZIL(1974 AGAINST; 1975 ABSTAIN) CHAD (1974 AGAINST; 1975 ABSTAIN) GABON (974 AGAINST; 1975 ABSTAIN) GREECE (1974 AGAINST; 1975 IRAN (1974 AGAINST; 1975 ABSTAIN) IVORY COST (1974 AGAINST; 1975 ABSTAIN) KHMER REPUBLIC (1974 AGAINST; 1875 IN FAVOR) LESOTHO (1974 AGAINST; 1975 ABSTAIN) LIBERIA (1974 AGAINST; 1975 ABSTAIN) PANAMA (1974 AGAINST; 1975 ABSENT) PHILIPPINES (1974 AGAINST: 1975 ABSTAIN) THAILAND (1974 AGAINST; 1975 ABSTAIN) TURKEY (1974 AGAINST; 1975 ABSTAIN) VENEZUELA (1974 AGAINST; 1975 ABSTAIN)

5. IN 1975 THE FRIENDLY SIDE GOT FIVE (5) NEW NEGATIVE VOTES AGAINST THE COMMUNIST - SPONSORED RESOLUTION: BAHAMAS (1974 ABSTAIN; 1975 AGAINST) FRANCE (1974 ABSTAIN; 1975 AGAINST) MALAWI (1974 ABSTAIN; 1975 AGAINST) NORWAY (1974 ABSTAIN; 1975 AGAINST) SPAIN (1974 ABSTAIN; 1975 AGAINST)

6. ADDITIONALLY, THE FOLLOWING COUNTRIES ABSTAINED ON THE HOSTILE RESOLUTION BOTH IN 1974 AND 1975: AFGHANISTAN, ARGENTINA, AUSTRIA, BAHARAIN, BANGLADESH, BHUTAN, YPRUS, ECUADOR, FIJI, FINLAND, INDIA, INDONESIA, JORDAN, KENYA, LEBANON, MALAYSIA, MAURITIUS, MEXICO, MOROCCO, NEPAL, PALISTAN, PERU, PORTUGAL, SINGAPORE, SRI LANKA, SWEDEN, TRINIDAD AND TOBAGO, TUNISIA, UNITED ARAB EMIRATES, ZAIRE.

7. COMMENT:

(A) FAVORABLE VOTES LOST BY THE HOSTILE SIDE
(JAMAICA, KUWAIT, NIGER, SIERRA LEONE AND UGANDA) TO A
LARGE DEGREE REFLECTED SUCCESSFUL LOBBYING BY OUR SIDE.
(B) FIVE OF THE EIGHT NEW FAVORABLE VOTES GAINED BY THE
HOSTILE SIDE (CAMBODIA, LAOS, MOZAMBIQUE, CAPE VERDE, SAOTOME
AND PRINCIPE) REFLECTED COMMUNIST TAKE-OVERS IN ASIA OR
EMERGENCE OF LEFTIST OR LEFT-LEANING GOVERNMENTS IN NEW
AFRICA MEMBER STATES. THE OTHER THREE (U.MR. OF CAAMEROON,
ETHIOPIA, AND BURMA) ARE LESS EAISLY ATTRIBUTED, BUT COULD
(C) THE FRIENDLY SIDES LARGELY UNEXPECTED LOSS OF FOURTEEN
NEGATIVE 1974 VOTES AGAINST THE HOSTILE RESOLUTION MUST BE

NEGATIVE 1974 VOTES AGAINST THE HOSTILE RESOLUTION MUST BE VONSIDERED THE KEY FACTOR IN THE HOSTILE RESOLUTION'S 1975 SUCCESS (AUSTRALIA, BRAZIL, CHAD, GABON, GREECE, IRAN, IVORY COAST, KHMER REPUBLIC, LESOTHO, LIBERIA, PANAMA, PHILIPPINES, THAI-

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(D) ON OCTOBER 22, AUSTRALIA'S REPRESENTATIVE ANNOUNCED. EMPHATICALLY IN COMMITTEE ONE DEBATE THAT AUSTRALIA WOULD VOTE AGAINST THE HOSTILE RESOLUTION. THEREFORE, ITS SUDDEN SWITCH(IN THE FACE OF NORTH KOREAN PRESSURE) TO ABSTENTION IN THE OCTOBER 29 VOTE DREW GASPS OF INCREDULITY AND SURPRISE. HOWEVER, EVEN BEFORE AUSTRALIA'S VOTE (THE ROLL-CALL BEGAN WITH SAUDI ARABIA), ABSTENTIONS BY THAILAND, TURKEY AND VENEZUELA HAD KEYED A. MOST UNHELPFUL NOTE. ADDITIONALLY, PANAMA HAD BEEN ABSENT THROUGHOUT THE VOTING. (FURTHERMORE, THE U.R. OF CAMEROON, IN A SUDDEN DEPARTURE FROM LAST YEAR'S POSTURE OF ABSTENTION, MADE A POLEMICAL EXPLANATION OF VOTE BEFORE HAND, ANNOUNCING SUPPORT FOR THE HOSTILE RESOL-UTION AND OPPOSITION TO THE FRIENDLY RESOLUTION). (E) FOLLOWING TORKEY'S ABSTENTION, IT WAS NO SURPRISE THAT GREECE, ALSO CONCERNED ABOUT THE FORTHCOMING / CYPRUS DEBATE, FOLLOWED SUIT. IRAN, HAVING RELATIONS WITH BOTH KOREAS AND DESIRING TO MAINTAIN "BALANCE", HAD NOT COMMITTED ITSELF TO A VOTE AGAINST THE HOSTILE RESOLUTION, BUT HAD INDICATED IT MIGHT DO SO WERE THE VOTE EXTREMELY CLOSE. THE ASEANS HELD HORES OF HELPING TO EFFECT A COMPROMISE AND, AT LEAST ONE OF THE ASEANS, WAS THREATENED BY THE NORTH KOREANS. HENCE, FOLLOWING THAILAND'S EARLY AND DIS-

APPOINTING ABSTENTION, THE PHILIPPINES' ABSTENTION NEAR THE END OF THE VOTE MAY HAVE REFLECTED DESIRE TO MAINTAIN ASEAN COHESION AT A TIME WHEN ITS VOTE COULD NOT AFFECT THE OUTCOME. LOSS OF NEGATIVE VOTES AGAINST THE HOSTILE RESOLUTION FROM GABON, IVORY COAST, LESOTHO AND LIBERIA WERE FURTHER SHOCKS. LESOTHO HAS EXPLAINED THAT DUE TO "CONFUSION" IT PUSHED THE WRONG BUTTON. LIBERIA HAS A CANDIDATE RUNNING FOR THE INTERNATIONAL COURT OF JUSTICE. THIS MAY EXPLAIN LIBERIA'S ABSTENTION LATE IN THE VOTING AFTER THE GAME WAS CLEARLY LOST.

8. IN COMPARISON WITH 1974, WE LOST SUPPORT AGAINST THE HOSTILE RESOLUTION AS FOLLOWS:

AF - ETHIOPIA, U.R. OF CAMERCON, CHAD, GABON, IVORY COAST, LESOTHO, LIBERIA

ARA - BRAZIL, PANAMA, VENEZUELA

EA - AUSTRALIA, BURMA, LAOS, CAMBODIA, PHILIPPINES, THAILAND

EUR - TURKEY, GREECE

NEA - IRAN

USUN RECOMMENDS THAT THESE COUNTRIES, WITH THE EXCEPTION OF CAMBODIA, AND LAGS BE URGED TO IMPROVE THEIR VOTE IN PLENARY.

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9. WE GAINED SUPPORT AGAINST THE HOSTILE RESOLUTION AS FOLLOWS:

AF - MALAVI, NIGER, SIERRA LEONE, UGANDA

ARA - BAHAMAS, JAMASCA

EUR: - FRANCE, NORWAY, SPAIN

NEA - KUWAIT

USUN RECOMMENDS THAT THESE COUNTRIES BE ENCOURAGED, AS APPROPRIATE, TO MAINTAIN AND IMPROVE THEIR SUPPORT IN PLENARY.

12. OF THE 30 COUNTRIES ABSTAINING IN BOTH 1974 AND 1975, AUSTRIA, INDONESIA, KENYA, MAURITIUS, MALAYSIA, SINGAPORE, AND SWEDEN PARTICULARLY SUGGEST THEMSELVES AS WORTHY OF ENCOURAGEMENT TO OPPOSE THE HOSTILE RESOLUTION IN PLENARY. MAURITIUS HAD PROMISED USD'EL A "NO" VOTE JUST BEFORE THE MEETING BUT ABSTAINED WHEN THE VOTE CAME.

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Amembassy BUENOS AIRES

CLASSIFICATION

11652:

SUBJECT:

TAGS:

PFOR, UN, KS, AR

Argentine Position on Korean Issue at UN: Review of Bidding and Request for further Guidance

ACTION:

Secstate WASHDC USUN NEW YORK

INFO

Amembassy SEOUL .

SECRET BUENOS AIRES 7234

REFS

a) BA-7130

- b) State 245459
- c) BA-7148

- d) State 131759
- e) BA-6903

MIIIGP-2 CHI ON

1. Argentina's original position was that she would abstain on all three questions regarding Korea in the First Committee. reflected a mix of pragmatism and principle, with more of the former than the latter. Argentina may sincerely have believed that neither resolution was adequate and that a third should be sought, but she also had compelling practical reasons for abstaining: (a) She has relations with both Koreas and wished to offend neither; (b) She did not wish to lose Third World support by voting with us and against North Korea; and, perhaps most importantly, (c) Her Ambassador in the UN has ideas of becoming SecGen and wishes to do nothing to offend the Nonaligned

Bloc. Hence, Argentina made up her mind early that she would

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DRAFFING DATE TEL. EXT.

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CONTENTS AND CLASSIFICATION-APPROVED AMBASSADOR ROBERT C. HILL

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abstain on the two resolutions. Representations on our part here, in the UN, and in Washington could not shake them from that position. Neither could the representations of the South Koreans, the Japanese, the French and others. 2. Argentina does, however, value good relations with the US. Thus, when our continued demarches finally convinced the placed extreme importance on this began to search for some means of accommodating us -- without giving away their own position. What they came up with at the last minute was the idea of voting with us on the priority issue, thus, in their minds, helping to assure that the friendly resolution was taken up first in the General Assembly--which they believed would assure its passage and kill the unfriendly resolution. They were under no misconceptions concerning our desire to defeat the unfriendly resolution in committee. Amb Hill. in his demarche on Oct 28 suggesting that we might have to review our bilateral relations if they did not vote with us (see ref a), referred specifically to the vote the following day -- i.e. in First Committee. We are certain representations in the UN and Washington were equally clear. But while they understood that we would have preferred to kill it in committee, the Argentines apparently looked at the problem as a whole, rather than simply in the First Committee. From subsequent conversations with working level officials, it is clear that they assumed that notwithstanding our effort to defeat the

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unfriendly resolution in committee, our overriding purpose was to make certain it was not accepted by the General Assembly. And this they believed could be accomplished by voting to take up the friendly resolution first, even if both resolutions were sent to the General Assembly. Otherwise, as one working level official commented, "why did you

attach any importance to the priority issue in your aide-

memoire to us?" (see ref b).

3. From the intimations of working level officers, we were aware of this view (see ref c), though FonMin Arauz Castex never articulated it. Even if he had, we would have had no strong arguments to use against it, for all our instructions focused on voting in the First Committee. None really elaborated on what would happen and what our tactics might be if both resolutions passed. In informal conversations with working level officials we fell back on para ten of ref d, i.e. that an unacceptable compromise resolution would probably be the outcome in plenary if both present resolutions passed in First Committee. This was not an effective argument, however, for the Argentines simply asked, "why?", and went back to their assumption that we had enough votes to pass our resolution in the General Assembly. Further, the Argentines have all along favored a third resolution; hence, this was worse than no argument at all.

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The Argentines may well have been totally wrong in their approach, but here at least (we cannot speak for Ortiz de Rozas' view) they believed and still believe, that they were helpful to us by voting against reversing the priorities. This may not be the case, but in any event we would much appreciate some indication from the Dept or USUN as to what we do now. Do we intend to lobby for the friendly resolution in the GA, do we go to a compromise resolution in plenary (and if so, why?), or is there some third course? 5. If we are going to try to get the friendly resolution through the General Assembly, we assume we will need all the votes we can get, including that of Argentina. Embassy believes that with a bit of horse trading we just might swing the Argentines over to voting with us. Most vital issue for Argentina, as FonMin Arauz Castex has indicated (see ref e), is that of Malvinas. Argentines understand that it is impossible for us to support their claims against those of the UK. If, however, we could see our way clear to privately and discreetly urge British to carry on with negotiations, thus removing irritation between two close friends, this might well be enough to cause Argentines, in return, to vote with us on Korean issue. And such demarche on our part to British would cost us little. There is UN resolution calling for two sides to negotiate. We would not be showing preference for either side. We would simply be giving verbal support to a UN resolution and urging

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two friends to settle their problem through negotiations.

6. Certainly Embassy would recommend strongly against any "review of bilateral relations" at this time. Argentina believes she responded to our demarche, at least in part, and would not understand such a review. Further, we may need the Argentine vote on other key issues in the GA-possibly even on the Korean issue itself. We will not get it by reviewing relations. And finally, we have other important interests here--in terms of our investments, our political strategy in the hemisphere and in the Southern Cone--which could be seriously damaged by such a step. We do not rule it out for the future, but at this point it would appear to be premature and possibly counterproductive.

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Department of State

E.O. 11652: XGDS-2

TAGS:

PINR

APRIL 4, 1975

Amembassy BUENOS AIRES

Revised Potential Leaders Biographic Reporting List (PLBRL)

A-9132 of 12/2/74

Revised PLBRL for Argentina is as follows:

Intellectuals Charge

ECOM.

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SCIAT 顶GAT

 $\mathbf{R}\mathbf{F}$ CHRON 1. Carlos Alberto MALIMAN, Bariloche Foundation.

2. Luis F. LELOIR, Director of the "Campomar Foundation" Institute of Biochemical Research.

3. Virgilio G. FOGLIA, Director, Institute of Experimental Biology and Medicine.

4. Venancio DEULOFEU, President, National Academy of Exact, Physical and Natural Sciences.

Business and Economy

- 1. Julio BRONER, President of the CGE, III.
- 2. Adolfo CANTTROT, Di Tella Institute, II.
- 3. Carlos DIETL. President of the Consejo de Empresarios Argentinos, III.
- 4. Eduardo Luis GARCIA, President of Fundacion de Investigaciones Economicas Latino Americano.
- 5. José Alfredo MARTINEZ DE HOZ, hijo, Acindar Argentine Steel Industry, Inc., III.
- 6. Juan Carlos DE PABLO, economist.
- 7. Leopoldo TETTAMANTI, economist, I.
- 8. Celedonio PEREDA. President Sociedad Rural, III.

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Chargé: JJMontllor

Justicialistes

- Juan Manuel ABAL MEDINA, III.
- Carlos H. EVANS, National Senator.
- 3. Gen. (RE) José EMBRIONI. I.
- 4. Rolando GARCIA. I.
- 5. Francisco Julian LICASTRO, I.
- Italo A. LUDER.
- 7. José Humberto MARTIARENA, III.
- 8. Santiago MELE, President, Buenos Aires FREJULI, II.
- 9. Jesus Edelmiro PORTO, I.
- 10. Juan RACCHINI, III.
- 11. Eduardo P. SETTI, CONADE, II.

Union Civica Radical Party

- Raul ALFONSIN, Leader of Movement for Recovery and Change, I.
- 2. Fernando Cesár ANGELOZ, National Senator, III.
- 3. Roque CARRANZA, former head of CONADE, I.
- 4. Fernando DE IA RUA, former Vice Presidential candidate, III.
- 5. Felix ELIZAIDE, former head of Central Bank, I.
- Carlos H. PERETTE, National Senator.
 Juan Carlos PUGLIESE, National Senator.
- Conrado STORANI, former head of Light and Power, I.
- Antonio TROCCOLI, UCR bloc leader, I.

Other Foliticians

- 1. José Antonio ALIENDE, Popular Christian Party, I.
- 2. Alberto FONROUGE, Popular Conservative Party, I.
- 3. Rogelio FRIGERIO, economist. I.
- 4. Horacio SUEIDO, Revolutionary Christian Party, I.
- 5. Felipe TAMI, Social Christian Party, I.
- 6. Andres FRAMINI, Partido Auténtico.

Other

- Juan Manuel FIGUERERO, Secretary Pro Tem for BA MFM.
- Salvador LOZADA, Judge in DELITEC case, I.

Provincial Leaders

- 1. Declindo F. BITTEL, Governor of CHACO, I.
- 2. Ricardo Joaquin DURAND (Salta), II.
- 3. Alberto SERU GARCIA (Mendoza), III.

Labor

- José G. BAEZ, Syg. Insurance Workers Union, II.
- 2. Florencio CARRANZA, Sec Gen, Commercial Workers Confederation.
- 3. Casildo HERRERAS, CGT Asst. Sec Gen and Sec Gen Textile Workers Union.
- 4. Rogelio PAPAGNA, Organization Secretary, Construction Workers Union.
- 5. José RODRIGUEZ, Syg. Auto Mechanics Union, II.
- Oscar SMITH, Sec Gen, Light and Power Workers Union.
- Adalberto WIMER, CGT Press Secretary.

Media

- 1. Octavio FRIGERIO, Clarin, III.
- 2. Héctor Ricardo GARCIA, Cronica, Ast. Canal 11, I:
- 3. Tulio JACOVELLA, Mayoria, III.
- 4. Jorge NAPP, TELAM, II.
- 5. Refael PERROTA, Cronista Comercial, III.
- Jacobo TIMMERMANN, Ia Opinion, III.

Extremists/Leftists

- 1. Dardo CABO, leftist Peronist.
- 2. Mario FIRMENICH, Montonero, III.
- 3. Emrique GORRIARAN MERIO, ERP.
- 14. Juan Carlos GULLO, extreme leftist Peronist, II. 5. Daniel HOPPEN, ERP-22, III.
- 6. Domingo MENNA, ERP.
- 7. Jorge OBEID, extreme leftist Peronist, II.
- 8. Roberto QUIETO, FAR, II.
- 9. Benito URITAGA, ERP, II.

Army

- 1. Brig. Gen. Carlos Alberto DAIJA TEA, CG, VII Inf. Brigade.
- 2. Maj. Gen. Alberto Numa LAPIANE, CG, I Corps.
- 3. Brig. Gen. Albano Eduardo HARGUINDEGUY, CG, I Cav. Brigade.
- 4. Maj. Gen. Carlos DELIA IAROCCA, CG, III Coros.
- 5. Maj. Gen. Horacio Anibal RIVERA, Director, Military Factories.
- 6. Maj. Gen. Luis Carlos GOMEZ CENTURION, CG, II Corps.
- 7. Brig. Gen. Osvaldo AZPITARTE, Deputy CG, Military Institutes.
- 8. Brig. Gen. Alberto Samuel CACERES, CG, National Gendarmerie.

- 9. Col. Vicente DAMASCO, Military Secretary to President.
- 10. Brig. Gen. Otto Carlos PAIADINO, CG, X Inf. Brigade.
- 11. Brig. Gen. Ramon G. DIAZ BESSONE, Dep. CG, V Corps.
- 12. Col. Jerge Filipe SOSA MOLINA, CO, Patricios Regiment.
- 13. Brig. Gen. Eduardo J.I. BETTI, CG, V Corps.
- 14. Brig. Gen. Francisco Enrique ROSAS, G-3, Argentine Army General Staff.
- 15. Brig. Gen. Carlos Guillermo SUAREZ MASON, G-2, Argentine Army General Staff.
- 16. Brig. Gen. Jose Antonio VAQUERO, Commander, Colegio Militar.
- 17. Brig. Gen. Roberto E. VIOLA, G-5, Argentine Army.

Navy

- 1. Admiral Emilio E. MASSERA, CINC of the Navy.
- 2. Vice Admiral Aldo PEYRONEL, Head of SIDE.
- 3. R. Admiral Armando LAMBRUSCHINI, Head, General Staff of the Navy.
- 4. R. Admiral Luis M. MENDIA, Commander of the Navy.
- 5. R. Admiral Antonio VANEK, Naval Attache in US.
- 6. R. Admiral Manuel J. GARCIA, Prefecto Naval.

Air Force

- 1. Lt. Gen. Hector Luis FAUTARIO, Commanding General of the Air Force.
- 2. Maj. Gen. Carlos Alberto LOPEZ, Chief of Staff, Air Staff.
- 3. Maj. Gen. Roberto Fermin AGUIRRE CHAMPEAU, Air Attache to the US and Chief of Argentine Air Force Delegation to the IADB.
- 4. Major Gen. Roberto Donato BORTOT, Commander of the Air Operations Command.
- 5. Maj. Gen. Aly Luis Ipres CORBAT, Commander of the Personnel Command.
- 6. Maj. Gen. José Maria KLIX, Commander of the Air Regions Command.
- 7. Brig. Gen. Orlando Ramon AGOSTI, Commander of the Materiel Command.

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TAGS: PIET, PIET, PFOR, AR, US

American Embassy HUENOS AIRES

February 12, 1975

Updated Report for heview of NSC-IC/ARA

- A) A-345 of October 30, 1974
- B) A-409 of December 30, 1974

. Summary/Conclusions

Mrs. Peron does not appear to face an immediate crisis of confidence. However, due both to political factors and emotional strain bordering on hysteria, her chances of losting as President through 1975 are not good. Politically, they might be better if she disassociated herself or it dis associated from Lopez Rega--or if he edopted a considerably lower profile. That she might step down as President in the months ahead does not suggest the collapse of the present system of government. Hopefully, some constitutional alternative could be found. Indeed, the define of her accordance—at least in its present form—may turn out to be the only means of preserving constitutionalism (i.c. by keeping the Constitution out of the bands of Lopez Fegs). For would a change necessarily load to some couring of US-Argentine relations. The provable successors are allesty to carry forward the present policy of dialogue and close cooperation with the US.

2. - Weer-term Prospects (1-3 months)

Mrs. Peron's support is beginning to erode. Even so, she will probably last in office at least another three months, though the may have to make adjustments in her government in order to de so.

3. Forces for shability

Most sectors still here to preserve constitutionalism. On balance, they continue to see Mrs. Peron as the best means to that end, though their doubts are growing.

4. Government successes against the Left wing terrorists continue. GOA security forces are still a long way from defeating, or neuralizing, the

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Buenos Aires A-29 Page 2

the repability to carry out significant operations and cause the GOA serious damage, but they are increasingly on the defensive. Ironically, this might almost be listed as a liability for the government. In the face of the strong terrorist threat of several menths age, the instinctive reaction of most sectors was to stick together and rally benind the President. As the threat recedes, however, so too does the impulse towards cohesion. With the ship of state in somewhat safer waters, the other sectors are beginning to take a closer look at Mrs. Feron's government, and they do not like what they see.

5. Economy Minister Gomez Morries continues to provide positive adjustments in economic policy. Gradually, excessive centralization of economic decision making is being relaxed while the expansion of the public sector has been checked or at least slowed. More price stability has been introduced to stimulate investment and production; and higher priority and incentives have been given to agriculture. Some limited progress has been made in imposing greater mometary and fiscal discipline. Abroad, Dr. Gomez Morales has reoriented Argentine foreign economic policy toward the United States. A firmer basis for Tuture bilateral economic ecoperation appears to have been established.

6. Forces for Instability

The figure of Lopez Rega has become so prominent in Mrs. Foron's government that it is resulting in loss of support for her. The UCR's position is beginning to harden. As Party Secretary Yanoli put it recently: "We want to continue a productive dialogue with the government, but the manner in which it is conducting itself makes it difficult to believe that is possible. Further, we respect and wish to protect the image of the Presidency. The government's own action in creating a "supersecretary", however, damages that image more than anything we might do."

7. The military, too, is beginning to have its doubts as to the viability of Mrs. Perch's government. This does not mean the military is beginning to thick of taking power itself. So for, it is not. Officers are, however, increasingly talking of possible constitutional solutions without Mrs. Perch.

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- 8. Further, Mrs. Perce's primary support base, the Percent Movement, is beginning to show some serious fissures. Increasingly, the labor wing, which really represents the backbone of the Movement, is asserting itself and demanding more political power. It lacks very effective leadership, but then so does the whole government; hence, the labor wing, by its very mass, will make its weight felt. Many have long predicted that the labor wing in time would move off on its own and form a separate party. This could well be, but is something for the future. At the moment, one labor wing alearly intends to remain in and operate within the Percent Movement. It will not, however, blindly sceept verticality; rather, it will make moreasing demands on the President and the political wing of the Movement and will make waves it it does not get its way.
- 9. On the economic front, wage-price developments will be crucial and are likely to create some instability. Private collective bargaining sessions are scheduled to begin shortly with results to be implemented June 1, 1975; following termination of the Social Pact. This will be Argentina's first experience with private collective largedning since the Peronist Government took power and many observers view the prospect with apprehension. Organized labor as understandably very concerned about rising prices and already has requested ar emergency wage increase to be implemented before June 1, 1975. Unless management and labor agree to monomation, tiple growth in an atmosphere of greater flexicility will be difficult to implement.

10. Short-term Prospects and Implications for US Policy

While the government's base is beginning to wooble, its. Feron's government has given no sign that it will reach by beating chausinistic drums in an effort to regain popularity. On the control, on the political side, Fareign Windster Vignes continues to follow a policy of dialogue and coordination with the United States, though he must, of course, protect his flanks by appealing to latin American solidarity. On the economic side, if Comez Monales remains Minister for the next few months, developments are likely to continue in a Tayoccobic Circation. In particular, some progress is quite possible on mastanding problems with major US companies here (Standard Electric, Esson, Chase, etc.). If Gomez Morales is replaced, new GOA priorities and policies in the economic area can be expected and the US will have to reassess its position.

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Il. Reaction to the TRA and the consequent postponement of the Buenos Aires MFM do, of course, imply some negative impact on bilateral relations here as in the rest of Latin America. Like us, however, the Argentines regard those as temporary astracks and are anxious to move ahead with the New Dialogue. Indeed, as some have put it, Vignes and Argentina have become so closely identified with the New Dialogue that its failure would be viewed with as much unhappiness by Argentina as by the US.

12. Mid-term Prospects (3-9 months)

Most observers are now convinced that Mrs. Peron will not rid hercelf of Lopez Rega. If they are right, her chances of lasting through. 1975 are not good. Even if she does fire him in the months shead, she is unlikely now to be able to rekindle enthusiasm for her government. Further, she will be under increasing strain and whether or not she will bear up is open to question. She has done better than expected, but it is increasingly clear not only that she herself is cut of her depth—which everyone has known all along—but also that she does not have the good sense to gather around her and rel, upon the best men Perentano has to offer. She has made some excellent appointments—Rocamora. Comes Moreles—but it is by now clear it is not they who have the upper hand: rather, it is Lopez Rega. This fact, more than any other has contributed to the gradual withering of the kind of broadly includive consenses politics which were the only real ensure to Argentina's long-standing political madalize.

13. Forces for Stability

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Essentially, the forces militating for stability in the mid-term are thic same as those in the near-term. Most sectors wish to preserve constitutionalism. Even if they withdraw their support from Mrs. Veron, therefore, they are unlikely to bush in the direction of a military golpe. To use Jose Luis maz' phrase in reverse, the politicisms are now likely to brock on the doors of the genrison. Both they and the military, however, will almost certainly try to find some alternative to Mrs. Feron.

14. Economic prospects are reasonably good for 1975 and no major problems are foreseen (except as noted below). Agriculture production and exports will be at high levels. The situation of the private sector is expected to improve in response to greater price rienticility and a more favorable profits picture. We external crisis is likely although some fundamental problems will require resolution. If the domest Merales remains as Minister, Argentina is likely to seek postumed close economic cooperation with the United States.

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15. Forces for instability

Mid-term forces for instability are also essentially the same as those for the near-term--only with additional time to feater. Mrs. Peron's support is collapsing. UCR, military and even many Feronists are beginning to give up on her. Disenchantment may not build up to a crunch point in the next three months, but within another six months to a year it very likely will have.

No. In the economic area, inflation is now accolerating papidly and is likely to be one of the Government's most serious mid-term problems. In Feronist Argentina, the adverse political and social implications of a very high inflation rate (which many observers feel could easily reach 60% or more in 1975) are especially significant.

Another issue which will likely require ration over the mid-term his the exchange rate which increasingly is out of line with domestic realities. In general, 1975 trade prospects remain favorable, bethough the trade surplus will probably be less than in 1974. The major problem is with nontraditional exports, which are becoming increasingly unattractive at the present financial rate of 9.93 pesos to the dollar. With demostic costs accelerating rapidly, and non-traditional emports already receiving subsidies of up to a maximum of 40%, the GOA is going to find it increasingly divident to postpone devaluation, unless it is willing to risk losing its overseas markets for nontraditional items.

18. Mid-term Prophects and Implications for US Policy

At this point, none of the more obvious alternatives to Ms. Peron-Lastiri, Allende, or a moderate designated by the Congress-Lablachy
to change essentially the present Argentine posture vis-a-vis the US.
Further, the internal situation has changed considerably over the
past six months. Argentina no longer appears to be facing chaos.
Dislocations, uncertainty, and a loss of farection, yes, but not
chaos. Mrs. Peron's resignation under these changed circumstances
would not necessarily lead to greater instability. On the contrary,
many who are now beginning to examine the alternatives are doing so
in the hope of preserving, or rekindling, the institutionalization

SECTION

Buenos Aires A- d'/ Fage 6

process which most Argentines valued so highly and which Mrs. Peron's government (with Lopez Regs as navigator) seems incapable of sustaining. The USG is, of course, interested in stability in Argentina. Mrs. Peron's continuation in effice would not necessarily produce that stability, nowever, nor her resignation the reverse.

19. A change of government might revertheless have some worrisome implications for US policy. Provided the change is constitutional, US recognition of the new government should be virtually automatic. Should the constitution be violated, however, the USS would doubtless wish to examine closely the situation and determine how its own interests would be effected before moving ahead with recognition. Its decision would, needless to say, depend upon factors which cannot be foreseen at this time: Who might replace Mrs. Peron; the circumstances of her political denise, etc.

20. Prospects for the Longer Term

The final comment in A-345 remains valid: "About the most Argentines hope for is that the country can rock along with a constitutional government, whether it be Mrs. Perch's, Lastiri's, or someone else's. If the government can be kept out of the hands of extremists, Lopez Regal or the military for the next few years and the institutionalization process saved, that will be mirable enough for most Argentines."

21. The one change over the past three months is that most Argentines are beginning to believe the government will eventually nave to be "someone else's." Unfortunately, there is no very strong leadership on the horizon which might give direction and restors convidence. Argentina will doubtless muddle through. Clearly, nowever, the political process initiated in 1971 and culminating in the elections of 1973 has produced no panaceas. Argentina remains, and has the prospect of remaining, in the same political moress in thich she has floundered for the past few decades.

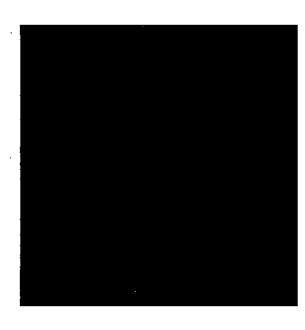
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1975 Correspondence re MEETING OF FOREIGN MINISTERS

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RUESTEZAMEMBASSY TEGUCIGALPA 687
BT

CONFIDENTIAL MANAGUA 0522

E. O. 11652: GDS TASS: PFOR, NU

SUBJECT: POSTPONEMENT OVE BA-HEM

REM: STATE 021494

IN VIEW OF PRESIDENT SOMOZA'S EXPRESSED INTEREST IN POSTPONED MEETING OF FOREIGN MINISTERS PREVIOUSLY SCHEPULED FOR BUZNOS AIRES AND HIS ULTIMATE RESPONSIBILITY IN MICARASMA FOR FOREIGN AFFAIRS. I DELIVERED TO HIW THE TEXT OF DEPARTMENT'S STATEMENT AND REMARKS MADE BY SECRETARY KISSINGER AS PER REFTEL. PRESIDENT SOMOZA DISCUSSED AT SOME LENGTH HIS VIEWS ON THE REASONS FOR THE POSTPONEMENT OF THIS MEETING WHICH MAY BE OF SOME INTEREST. SOMOZA SAID THAT IT WAS MIGHLY SIGNIFICANT TO HIM TWAT WEXICO ANNOUNCED AT THE LAST MOMENT THAT IT WOULD NOT ATTIND THE MEETING UM, SSS CUBW WAS INVITED. HE SAID THAT THIS INDICATED TO HIM THAT MEXICO WAS AWIENFIING TO ESTABLISH A REASON FOR NOT ATTENDING, SEPARATE AND APART FROM FOLLOWING THE LEADERSHIP OF VENEZUELA. SOMOZA SAID FUNTHES THAT HE BELIEVED THAT THE CONVERGENCE OF THE ATTITUDES ON MEXICO AND VENEZUELA CREATED AN "EXTREMELY DIFFICULT" SITUATION FOR ARGENTINA. HE SAID THAT DURING HIS RECENT VISIT TO CARACAS, VENEZUELAN PRESIDENT PEREZ HAD TOLD HIM THAT ARGENTINA WAS MEGOTIATING WITH VEHRZUELA FOR A LONG TERM CREDIT APRANGEMENT FOR PETROLEUM AND THAT THUS ARGENTINA WOULD BE EXTREMELY RELUCTANT TO OFFEND VENEZUELA. AT THE SAME TIME THE STATEMENT BY MEXICO REGARDING THE PRESENCE OF CUBA PLACED ARGENTINA IN AN "IMPOSSIBLE POSITION" DECAUSE ARGENTINA'S NEIGHBOR CHILA HAD ALPHADY STATED THAT IT-WOULD MOT ATTEND THE FOREIGN MINISTERS MEETING IF CUBA WERE PRESENT, AND HER OTHER THREE MILERBORS, PARAGUAY,

URUSUAY AND BRAZIL, WOULD CERTAINLY MOT BE PLEASED BY THE

PRESENCE OF CUBA. IN ORDER TO FUNTHER COMPLICATE THE SITUATION, SOMOZA CONTINUED, THE STATEMENT REGARDING CUBA BY MEXICO WAS POSSIPLY DESIGNED AS A DIRECT SLAP AT CHILE IN MEXICO'S CONTINUING FEUD WITH THAT COUNTRY.

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SUMMARIZING, SOMOZA FELT THAT WITH THESE DIVERGENT BUT COMPLEMENTARY FORCES AT WORK; ARGENTINA HAD NO ALTERNATIVE EXCEPT TO INDICATE ITS BELIEF THAT THE MEETING SHOULD BE POSTPONED. SOMOZA EMPHASIZED THAT IN KEEPING WITH THE POSITION ESTABLISHED AND ENUNCIATED BY THE PRESIDENTS OF NICARAGUA, HONDURAS, EL SALVADOR AND GUATEMALA AT THEIR MEETING IN GUATEMALA, HE WAS OF THE OPINION THAT THESE FOUR CENTRAL AMERICAN COUNTRIES WOULD UNDOUBTEDLY HAVE ATTENDED THE MEETING HAD IT TAKEN PLACE. SOMOZA FELT IT WAS EXTREMELY UNFORTUNATE THAT THE WORDING OF THE U.S. TRADE ACT OF 1974 HAD GIVEN VENEZUELA AND ECUADOR AN EXCUSE TO ASSERT THEIR NATIONALISTIC ASPIRATIONS, BUT HE SAID THAT HE FELT IT WAS NECESSARY TO RECOGNIZE THAT THERE WERE SHARP DIFFERENCES AMONG THE LATIN AMERICAN COUNTRIES WHICH APPEAR TO BE ABLE TO AGREE ON SOME "EMOTIONAL NATIONALISTIC ISSUE" SUCH AS THE ONE WHICH VENEZUELA AND ECUADOR HAD RAISED, PRESIDENT SOMOZA EMPHASIZED THAT IT WAS HIS BELIEF THAT THE USG WOULD BE BEST AUVISED TO AVOID EFFORTS AT MULTILATERAL HEMISPHERIC MEETINGS OUTSIDE OF THE CAS STRUCTURE FOR THE NEAR FUTURE AND TO CONCENTRATE ON THE STRENGTHENING OF BILATERAL RELATIONS IN THE HOPE THAT A DEGREE OF MATURITY AND IDENTITY OF INTERESTS COULD BE DEVELOPED WHICH WOULD MAKE CONFINUING MULTILATERAL MEETINGS MORE PRODUCTIVE. PRESIDENT SOMOZA EXPRESSED HIS EXTREME PERSONAL ADMIRATION FOR SECRETARY KISSINGER AND HIS "HIGHLY ADMIRABLE" EFFORTS. SOMOZA FELT THAT IT WAS EXTREMELY UNFORTUNATE THAT SECRETARY KISSINGER'S EFFORTS TOWARD LATEN AMODIC WERE NOT UPPORTED BY LATEN COUNTRIES TO THE DBBREE WHICH THEY DESERVED. SCHOZA ENDED HIS COMMENTS BY STATING THAT IT WAS THE CONTINUENCE POLICY OF NICARAGUA TO FOLLOW THE LEAD OF THE UNITED STALES WHENEVER POSSIBLE.

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RUESCI/AMEMBASSY GUATEMALA 934

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I-D Z N T I A L MANAGUA 0513

EO 11652: GDS TAGS: PFOR, NU

SUBLECT: POSTPONEMENT -OF BA-MYM

HEF BTATE DZ1494

1: AMBASSADOR CALLED ON MINISTER OF FOREIGN AFFAIRS MONTIEL, JANUARY 3:, AND DEVIVERED TEXT OF DEPARTMENT'S STATEMENT AND REMARKS MADE BY SECRETARY KISSINGER AS PER INSTRUCTIONS IN REFITEL.

2. MINISTER MONTIEL TXPRESSED HIS APPRECIATION FOR THIS INFORMAT AND DURING THE COURSE OF CONVERSATION ADVISED THAT MINISTER OF FOREIGN AFFAIRS OF ARGENTINA HAD TELEPHONED HIM ON SATURADY, JANUARY 25 TO DISCUSS POSSIBILITY OF POSTPONEMENT FOREIGN MINISTERS MARTHIG. MONTIEL SAID THAT ARGENTINE FORMIN HAD STATED HAT IN VIEW OF REFUSAL OF VENEZUELA, ECUADOR ANDMVOSSIBLY PERM, TO ATTEND MEETING, THAT HE FELT IT PROBABLY BEST TO POSTPONE GET FORETHER. MONTIEL THEN ENGAGED IN PHILOSOPHICAL COMPENTARY TO AMBASSACOR RE SENSITIVITIES OF LATIN AMERICAN COUNTRIES. MONTIEL SAID THAT HE PERSONALLY FELT THAT THERE WAS CONSIDERABLE LACK OF WAIURILY AMONG LATIN COUNTRIES WHICH REFLECTED ITSELF IN THIS HYPERSENSITIVE ATTITUDE. HE FURTHER SAID THAT VENEZUEL? WAS NOW TWIELDING A BIG STICK" AND THAT A NUMBER OF COUNTRIES WERE MESITANT ABOUT "FRONTAL DISAGREEMENT WITH THEM". MONTIEL SAID THAT IT WAS HIS OPINION THAT SECRETARY KISSINGER'S HANDLING OF MATTERS IN THE MEETINGS IN MEXICO CITY, MASHINGTON, AND ATLANTA MAD BEER "SUPERS" BUT THAT IT WAS HIS PERSONAL VIEW THAT LATIE COUNTRIES TARDED TO ASCRIBE TO WILLINGMESS OF UNITED STATES TO MEET WITH THEM OUTSIDE OF OAS FORUM AS INDICATION OF OVER-ANXIETY ON PART OF UNITED STATES GOVERNMENT WHICH TENDED TO WEAKEN USG

BARGAINING POSITION. MONTIEL CONTINUED BY SAYING THAT NICARAGUA WOULD HAVE ATTENDED BUENOS AIRES MEETING AND CONTINUES TO WISH TO FOLLOW LEAD OF UNITED STATES IN ALL SUBSTANTIVE MATTERS. HE EXPRESSED BELIEF, HOWEVER, THAT USG SHOULD CONCENTRATE IN THE NEAR FUTURE ON STRENGTHENING BILATERAL RELATIONS WITH LAIIN COUNTRIES AND NOT EXPOSE ITSELF TO MULTI-LATERAL MEETINGS WHERE THE UNITED STATES WOULD BECOME INVOLVED, AND POSSIBLY EMBARRASSED BY THE FUNDAMENTAL DIFFERENCES THAT EXIST WITHIN LATIN AMERICA. AND THE ALMOST TOTALLY DIVERGENT ATTITUDES OF MEXICG AND CHILE, AND THE DEGREE OF COMPETITION PRESENTLY COMING TO THE FOREFRONT BETWEEN MEXICO AND VENEZUELA.

3. MONTIEL DOES NOT APPEAR TO BE A STRONG BELIEVER IN "LATIN AMERICAN SOLIDARITY" EXCEPT WHERE SOME EMOTIONAL ISSUE CAN SE OF THEIR RAW MATERIALS".

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.O. 11652: N/A AGS: PFOR, OAS, VE, UY UBJ: REACTION TO CANCELLATION OF MARCH MFM

- PROBABLY AS SIGNIFICANT AS ANY EDITORIAL COMMENT ON LOCAL ITITUDES TOWARDS THE CANCELLATION OF THE MFM WAS A LITTLE SQUIB RICH APPEARED IN "SE DICE", ONE OF THE MOST POPULAT COLUMNS IN L. PAIS, URUGUAY'S MOST WIDELY CIRCULATED DAILY. THE ITEM TATED, "(IT IS SAID) THAT VEHEZUELA, WHICH FAVORED THE POSTPONEMENT OF THE INTR-AMEICAN CONFERENCE IN DUENOS AIRES BY LIS DEPOSITION TO THE US TRADE LAW, HAS NO OBJECTION TO PARTICIPATING IN A BOSTON SEMINAR ON VENEZUELAN-US RELATIONS."
- THAT LITTLE ARTICLE REFLECTS THE RESENTMENT MANY INFORMED URUGUAYANS, PRIVATE AS WELL AS FUBLIC, FEEL TOWARDS VENEZUELA. THEY RESENT THAT COUNTRY'S HAVING SOUGHT AND OBTAINED HEMISPHERIC SOLIDARITY IN SUPPORT OF ITS POSITION AT THE OAS. PERMANENT COUNCIL SPEICIAL SESSION WHILE VIRTUALLY TURNING ITS BACK ON ITS DIL-STARVED NEIGHBORS TO THE SOUTH.

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TAGS: BJECT: PFOR, OAS, VE, AR

Public Reaction to Cancellation of March MFM

ACTION:

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One interesting public reaction to the cancellation of the March MFM has been press comments over role Venezuela played in final GOA decision. In week before Vignes announced accision, La Opinion carried articles that were critical of Venezuela's "out in front" position regarding Trade Bill. Thrust of article was that Venezuela, in & joining OPEC and quadrupling cil prices (moves which seriously affected economy of many Latin American countries including Argentina and Uruguay), had not seen fit to consult with anyone. Now that Venezuela has seen its interest threatened by Trade Act, it was energetically appealing to fellow Latin Americans for hemispheric unity against US "coercive act". In Light of this and given recent Venezuelan efforts to use its petro

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CONTENTS AND CLASSIFICATION APPROVED

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dollars to obtain leadership role in Latin America, article posed w questions as to whether or not other Latin Americans, but particularly Argentina, should not approach issues such as Trade Act more on basis of national interest than STATEMAN spurious hemispheric unity. Following cancellation of MFM, La Opinion did wrap-up piece on Latin American response to Vignes' decision with emphasis on Venezuelan reaction. Attention was drawn to the fact that Venezuela characterized the postponement as a triumph for its diplomatic position. This triumph, the article noted, was in some ways achieved at the expense of Argentina, and left Venezuela free to pursue its present high price oil policy totally outside of hemispheric ambit. Indeed, article went on to note that while having helped torpedo MFM, Venezuelan officials had quickly hied off to Washington to maintain close bilateral relations with US.

2. In private conversations with newsmen who follow foreign affairs closely, some have expressed unease they note within GOA Foreign Ministry over Venezuela's new activist stance. Unease generated less by fear that Venezuela will preempt Argentina on continent as key actor than by feeling that euphoria generated by new-found wealth will impell Venezuela to further muck up already complex and delicate hemispheric situation.

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3. Article closed with acid comment that over-emotional Venezuelan diplomacy had led to premature imposition of sanctions against Cuba in 1964—a decision that it had taken a decade to rectify. Latin Americans should be alert, it concluded, that in new Venezuelan enthusiasm for leading hemispheric role it not again commit Latin Americans to similar incorrect positions.

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FORM 4-68 FS-413A CONTINUATION SHEET

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TAL MEXICO 969

LIMDIS

E.O. 11652: GDS

TAGS: PFOR

SUBJECT: POSTPONEMENT OF BABAMFM

REF: STATE 21494

FOR ASSISTENT SECRETARY FROM JOVA

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- FCREIGN SECRETARY RABASA WAS OUT OF TOWN JANUARY 30, SO I SENT UNDERSECRETARY GALLASTEGUI A NOTE TRANSMITTING THE TWO STATEMENTS MENTIONED IN REFTEL AND I TALKED WITH RABASA UPON HIS RETURN TO MEXICO CITY. RABASA CONSIDERS THAT ALL CONCERNED CAME OUT OF THE POSTPONEMENT INCIDENT FAIRLY WELL. UNDER THE CIRCUMSTANCES, AND THAT THERE WAS NO VIABLE ALTERNATIVE. HE MENTIONED THAT VIGNES HAD BEEN IN TOUCH WITH HIM BEFORE ANNOUNCING THE POSTPONEMENT. RABASA THINKS THE NEXT STEP IS TO MOVE AHEAD THROUGH QUIET CONSULTATION TOWARD CHANGING THE VOTING REQUIREMENT UNDER THE RIO TRATY TO ALLOW "FREEDOM OF ACTION" VIS-A-VIS CUBA. HE HAD NO SPECIFIC PROCEDUREL SUGGESTIONS BUT WE AGREED TO DISCUSS THE MATTER FURTHER IN THE WEEKS AHEAD. I SSGGESTED HE STUDY JURIDICAL ASPECTS OF THE ISSUE II.E. RATIFICATION).
- NEITHER RABASA NOR ECHEVERRIA (NOR, INDEED, OTHER HIGH GOM OFFICIALS) HAVE COMMENTED PUBLICLY ON THE POSTPONEMENT OF THE MFM. THE MEXICAN POSITION ON CUBA SMEWHAT DIVERTED LOCAL ATTENTION FROM OTHER ASPECTS OF THE CANCELLED MEETING AND THE GOM ISBN PERHADS, IN SOME DOUBT AS TO WHAT COULD OR SHOULD BE USEFULLY SAID.

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E.O. 11652: GDS

SUBJECT: POSTPONEMENT OF BABAMFM IAGS: PFOR

REF: STATE 21494

FOR ASSISTENT SECRETARY FROM JOVA

REEN IN TRUCK WITH UIM PERDOS ANNOUNCING THE CAME OUT OF THE POSTPONEMENT INCIDENT FAIRLY WELL, MEXICO CITY. RABASA CONSIDERS THAT ALL CONCERNED REFIEL AND I TALKED WITH RABASA UPOW HIS RETURN TO NOTE TRANSMITTING THE IWO STATEMENTS MENTIONED IN JANUARY 30, SO I SENT UNDERSECRETARY GALLASTEGUI A FOREIGN SECRETARY RABASA WAS QUI OF ICHN

VIABLE ALTERNATIVE. HE MENTIONED THAT VIGNES HAD UNDER THE CIRCUNSTANCES, AND TRAT THERE WAS MO

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OF OUR ADVERSE VOTE ON CERDS ON THE BACK BURNER FOR THE MOMENT. JOVA BT

3. SIMILARLY, PRESS REACTION HAS BEEN RELATIVELY INSIGNIFICANT. INFLUENTIAL EXCELSIOR HAD BEEN URGING THAT MEXICO NOT ATTEND THE MFM FOR SOME DAYS BEFORE THE POSTPONEMENT WAS ANNOUNCED. OBVIOUSLY, EXCELSIOR AND THE NATIONALIST-LEFT SECTOR IS GRATIFIED. COMMENT: IT IS AN ILL WIND THAT BLOWS NO GOOD--AT

LEAST THE NOISE OVER THE TRADE ACT HAS PUT THE MATTER

NNNNVV ESA830TEA028 OO RUESBA DE RUESTE 0449 0312027 ZNY CCCCC ZZH O R 312215Z JAN 75 Declassified | Case: IW= 52363 Date: LC-24-2013

CONFIDENTIAL.

FM AMEMBASSY TEGUCIGALPA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 9196
INFO RULPALJ/USCINCSO
RUESGI/AMEMBASSY GUALEHALA 4825
RUESHG/AMEMBASSY MANAGUA 842
RUESJO/AMEMBASSY SAN JOSE 3409
RUESAL/AMEMBASSY SAN SALVADOR 3750

RUESBA/AMEMBASSY BUENOS AIRES 199

CONFIDENTIAL TEGUCIGALPA 0449

E.O. 11652: GDS TAGS: PFOR, HO

SULUECT: POSTPONEMENT LOF BA-MFM

ACT. INF. TO ACT BAL TO SAO AMB DOM LEGATT : /N DEA PULÍR MOA 030 64° US'S CHCON SCI

REF: (A) STATE 021494 (B) QUATEMALA 0570

- 1. PURSUANT REFERENCE (A) AMBASSADOR CALLED ON ACTING FOREIGN MINISTER PINEDA MILLA ANF DELIVERED TRANSLATED TEXT OF DEPARTMENT'S STATEMENT FOLLOWING POSTPONEMENT OF BUENOS AIRES CONFERENCE PLUS SECRETARY'S REMARKS IN JAMMARY 28TH PRESS KONFERENCE.
- 2. PINEDALE MILLA COMPLIMENTED THE SECRETARY FOR HIS/REMARKS AND SHOWED AMBASSADOR COFY OF RESPONSE SUBMITTED TO PRESS INQUIRY IN WHICH HE HAD PARAPHASED SECRETARY'S COMMENTS. PINEDA MILLA REMINDED AMBASSADOR THAT GENERAL LOPEZ' RESPONSE TO VEHEZUELAN PRESIDENT'S LETTER HAD BEEN BASED TO GREAT EXTENT UPON CONVERSATION HELD BETWEEN AMBASSADOR AND MINECON BENNATON (SEE REFTEL TAGULIGALEA 8246
- 3. PINEDA ALSO SOATED THAT HONDURAS HAD NOT BEEN INFAVOR OF POSTPOINING THE BA-MFM. THIS DIRFERS CLIGHTLY FROM PENULIMATE SENTENCE IN CARAGRAPH 2. REFERENCE (B). HE POINTED OUT THAT HONDURAS WOULD HAVE ATTENDED BUENOS ATRES MEETING IF HELD.

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Declassified | Case: ITX= 52363 Date: 10-24-2013

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FM AMEMBASSY GUATEMALA TO RUEHC/SECSTATE WASHDO 5745 INFO RUESSA/AMEMBASSY BUENOS AIRES 193 RUESMG/AMEMBASSY MANAGUA 4245 RUESTE/AMEMBASSY TEGUCIGALPA 4137 RUESJO/AMEMBASSY SAN JOSE J943 RUESAL/AMEMBASSY CAN SALVADOR 4268 BT

COMPIDENTIAL GUATEMALA C537

E.O. 11652: GDS TAGS: PFOR, GT

SUBJECT: POSTPONEMENT OF BA-MFM

REF: STATE 021494: GUATEMALA 0570

1. EMBOFF CALLED ON MINECON PALOMO JANUARY 35 TO PRESENT HIM WITH COPIES DEPARTMENT'S STATEMENT AND REMARKS MADE BY SECRETARY PER RENTEL INSTRUCTIONS. MINISTER TOOK GPPOHTUMITY TO DISCUSS HIS PERSONAL AND GOG VIEWS RE TRADE ACT ISSUE AND POSTPONEMENT WAS ADVISABLE SINCE COURSE OF EVENTS WAS RUNNING TOWARD CONFRONTATION THAT COULD NOT BE AVOIDED. LOOK-ING BEYOND THAT IMMEDIATE PROBLEM THAT POSTPONEMENT SKIRTED, PALOMO SEES WHAT HE CALLED A PROBLEM OF "IMAGE". BY THAT HE MEANT THE MANNER IN WHICH THE HEMISPHERE VIEWS BY THAT HE MEANT THE MANNER IN WHICH THE HEMISPHERE VIEWS THE NEW DIALOGUE. HOW TO RESTORE THE IMAGE THAT THE DIALOGUE POSSESSED IS THE PROBLEM, BUT HE HAS NO IDEAS OTHER THAN TO HOSSESSED IS THE PROBLEM, BUT HE HAS NO IDEAS OTHER THAN TO HOSSESSED THAT TIME WILL CALM MATTERS. AS FOR THE GOG, PALOMO AGAIN \$TRESSED THE MIDDLE COURSE THAT IT IS SEEKING TO PURSUE.

2. THAT THE COURSE IS IN THE WIDDLE IS DUE NOT ONLY TO THE RACT THAT GUATEMALA IS CAUGHT RETWEEN PRESSURES FROM GOV AND OTHER LA ACTIVISTS AND ITS OWN PREFEERENCE FOR AMICABLE MELATIONS WITH USG. IT ADDITION, IT IS CAUGHT BETWEEN DESIRE MOR GSP BEMERITS AND WHAT APPEARS TO BE GENUINE FEAR THAT A FUTURE USG ADMINISTRATION MIGHT EMPLOY SECTION 502 (8) (2) AGAINST GUATEMALA. PALOMO EXPRESSZU AGREEMENT WITH OPINION REPEATEDLY PROVIDED BY EMBASSY THAT CURRENT BEST READING OF SECTION LIMITS ITS APPLICATION TO PETROLEUM. HOTVITESTANDING THAT UNDERSTANDING, HE ARGUES THAT TEXT WOULD PERMIT A FUTURE ADMINISTRATION TO ACT UPON A BREADER INTERPREDATION AND, ALTHOU THE GOS MIGHT SUBSEQUENTLY AND SUCCESSFULLY SEEK REDRESS BY ARQUING THE TRUE INTENT OF THE ACT, THE DAMAGE WOULD HAVE BEEN DONE. IN BRIEF, IT IS NOT ONLY FOR SAKE OF LA SOLIDARITY AMENDED. TER TO SEE ACT

3. TURNING TO ISSUE OF LA SOLIDARITY, IT IS AN OBVIOUSLY MAJOR FACTOR IN THE ISSUE AT THE MOMENT. PALOMO, HOWEVER, HINTED AT THE FAINTEST CRACK IN THAT FACADE. HE NOTED THAT THE GOV ARGUMENT THAT THE USG, THROUGH ENACTMENT OF TRADE ACT, HAD PLACED ITSELF IN VIOLATION OF OAS CHARTER WAS AN ARGUEMENT THAT COULD EASILY AND JUSTIFIABLY BE TURNED AGAINST THE GOV. RECOGNITION OF THE OBVIOUS DOES NOT IMPLY, OF COURSE, THAT THE GOS WILL TAKE THE LEAD IN PUBLICLY POINTING OUT THE OBVIOUS.

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INFO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS IMMEDIATE
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IMMEDIATE ACTION

IMITED OFFICIAL USE STATE 021495

-C. 11652: N/A AGS: PFOR, MFM

UBURCT: MÉRTING OF FOREIGN MINISTERS WORKING GROUPS

EF: BA-2651 (NOT SENT TO ALL POSTS BUT BEING REPEATED)

- DEPARTMENT RECEIVED INFORMAL INQUIRY YESTERDAY FROM REENTINE EMBASSY OFFICER, WHO SAID HE WAS CALLING AT AQUEST OF FIGURERO, AS TO WHETHER IN OUR VIEW THE WORK-NG GROUP SHOULD BE HELD AS SCHIDULTO. WE RESPONDED THAT E DOUBTED THAT A MEETING UNDER PRESENT CIRCUMSTANCES WOULD ELIKELY TO PRODUCE USEFUL RESULTS. YOU MAY CONFIRM TO IGUERERO THAT WE WOULD CONCUR IN AN ARGENTINE DECISION TO OSTPONE THE WORKING GROUP SESSION.
- REGARDING WORK GROUP ON SCIENCE & TECHNOLOGY, EMBASSY ONICVIDED REPORTS THAT THE GOU IS GOING AREAD WITH PLANS O HOLD THE MEETING ON SCHEDULE. GIVEN THE LATIN AMERICAN ITITUDE AS EXPRESSED IN POSTPONEMENT OF THE BA-MFM, WE AVE SERIOUS DOUBTS THAT ATMOSPHERE WILL BE CONDUCIVE TO ONSTRUCTIVE OUTCOME. UNDER THESE CIRCUMSTANCES WE BELIFVE HAT IT WOULD BE PREFERABLE TO POSTPONE THIS MEETING UNTIL DIURE OF NEW DIALOGUE IS CLARIFIED. WE ARE THEREFOLE OT PLANNING TO SEND A DELEGATION TO MONTEVIDEO. FMBASSIES UENOS AIRES AND MONTEVIDEO REQUESTED TO CONVEY FOREGOING D RESPECTIVE FOREIGN OFFICES. KISSINGER

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Pol-m. Smith acting on this one too -

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M AMEMBASSY BRASILIA TO RUEHC/SECSTAYE WASHDC PRIORITY 7524 INFO RUESEA/AMEMBASSY BUENOS AIRES 1440

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E.O. 11652: GDS TAGS: PFOR, BR

SUBJECT: POSTPONEMENT OF BA MFM

- 1. IN A MEETING YESTERDAY AFTERNOON (JAN 27). ON ANOTHER MATTER, FOREIGN MINISTER SILVEIRA AND I DISCUSSED THE OJGENTINE POSTPONEMENT OF THE BY MEM. SILVEIRA SAID THAT VIGNES HAD CALLED HIM AT 5:40 PM, SATURDAY, JAN 25 TO TELL NIM-BEFORE ANYONE ELSE, ACCORDING TO VIGNES-THAT HE DID NOT SEE HOW HE COULD CONVENE THE MEETING WHEN "MANY" LATIN AMERICAN COUNTRIES WOULD NOT BE PRESENT.
- 2. SILVEIRA STATED THAT HE HAD TOLD VIGNES THAT (A) HE WANTED TO EMPHASIZE THAT BRAZIL, AS HE HAD MADE REPEATEDLY CLEAR, WAS PREPARED TO ATTEND; (3) BRAZIL THOUGHT THAT THE MFM, AS THE MEANS OF CONTINUING THE DIALOGUE, WAS A NOT ONLY APPROPRIATE BUT A PARTICULARLY GOOD FORUM FOR DISCUSSING THE TRADE ACT WITH THE SECRETARY, SINCE "WE ARE IN A NECOTIAGLON. NOT A WAR;" AND (C) NOBETHLESS, HE UNDERSTOOD THAT ARGENTINA AS HOST MAD A DIFFICULT DECISION TO MAKE, ONE WHICH HE WOULD NOT CRITICIZE.
- 3. SILVEIRA SAID THAT HE HAD SENT AN ACCOUNT OF THE CON-VERSATION WITH VIGNES TO THE WASHINGTON WHITE HOUSE AND OAS AMBASCADORS AND TO THE AMBASSADOR IN BUENOS AIRES.
- 4. I SAW SILVEIRA AGAIN IN THE EVENING, AFTER HE HAD SEEN THE TEXT OF THE ARGENTINE ANNOUNCEMENT. HE CHARACTERIZED IT AS MUCH TOO STRONG, SAYING THAT VIGNES PRESUMABLY HAD WANTED TO POSIPONE THE DIALOGUE, NOT KILL IT.
- 5. SILVEIRA REPEATED MANY OF THE FOREGOING POINTS IN HIS MEETING WITH AIR FORCE SECRETARY MCLUCAS AND ME TODAY, JA 1 281. CRIMMINS OF

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TAGS:PFOR, XR	IMMEDIATE AC	, HON	USIS	-		8&F		
SUBJECT: EXCERPTS	ON LATIN AMERICA FROM	SECRETARY	'sg P	RES	5	· CHRON,		
CONFERENCE TANHAL						RF		

FOLLOWING EXCERPTS ON LATIN AMERICA FROM SECRETARY KISSINGER'S PRESS CONFERENCE TODAY ARE BEING SENT FOR YOUR INFORMATION AND USE:

Q: MR. SECRETARY, THIS QUESTION DEALS WITH THE DECISION OF THE GOVERNMENT OF ARGENTINA TO POSTPONE, CANCEL OR OTHERWISE DELAY THE PROPOSED MARCH MEETING OF FOREIGN MINISTERS, AND THEIR EXPLANATION THAT IT'S DUE TO THE RIGIDITY AND LACK OF EQUITY ON THE PART OF THE U.S. TRADE BILL TOWARDS ECUADOR AND VENEZUELA. I HAVE TWO QUESTIONS ON IT:

ONE IS, DO YOU THINK THIS IS A TOTALITY OF THE REASONS, OR DO YOU THINK THAT CUBA FIGURES IN IT TO SOME EXTENT?

AND THE SECOND QUESTION IS WHETHER IN VIEW OF THIS YOU FEEL THAT YOUR EFFORT TO BEGIN A NEW DIALOGUE HAS REALLY SUFFERED A SEVERE SETBACK?

SECRETARY KISSINGER: WITH RESPECT TO THE POSTPONEMENT OF THE MEETING IN ARGENTINA, I HAVE BEEN IN VERY CLOSE CONTACT WITH FOREIGN MINISTER VIGNES AND WITH OTHER OF MY COLLEAGUES IN THE WESTERN HEMISPHERE.

THIER REASON SEEMS TO ME, AS STATED, THEIR OBJECTION TO THE PROVISION IN THE TRADE ACT WHICH INCLUDES ECUADOR AND VENEZUELA IN THE BAN ON GENERALIZED PREFERENCES. AND AS YOU KNOW, THAT IS BECAUSE THEY ARE MEMBERS OF OPEC.

NOW I STATED THE ADMINISTRATION POSITION ON THIS YESTER-DAY. I TESTIFIED AGAINST THIS PROVISION WHEN THE TRADE ACT WAS BEING CONSIDERED.

THE PRESIDENT, IN SIGNING THE TRADE ACT, HAD THIS PROVISION IN MIND WHEN HE POINTED OUT THAT NOT ALL OF THE PROVISIONS WERE AGREEABLE TO THE ADMINISTRATION.

THE STATE DEPARTMENT ISSUED A STATEMENT SOMETIME AFTER-WARDS, POINTING OUT THAT IT THOUGHT THE APPLICATION OF THIS PROVISION TO VENEZUELA AND ECUADOR WAS TOO RIGID.

DEPARTMENT OF STATE

NEVERTHELESS, WE BELIEVE THAT EVEN THOUGH WE DISAGREE WITH THE ACTION OF THE CONGRESS, WE BELIEVE THAT THE ACTION OF THOSE TWO GOVERNMENTS IN REFUSING TO COME TO THE BUENOS AIRES MEETING WAS UNJUSTIFIED. THEY KNEW VERY WELL THAT, ACCORDING TO OUR CONSTITUTIONAL PROCESSES, NO RELIEF COULD BE GIVEN UNTIL WE HAVE HAD AN OPPORTUNITY FOR FULL CONSULTATION WITH THE CONGRESS. AND THEY KNEW ALSO THAT WE WOULD CONSULT WITH THE CONGRESS AND THAT WE HAD REASON TO BELIEVE THAT THE CONGRESS WOULD BE SYMPATHETIC TO OUR VIEWS.

PROVISIONS OF THE TRADE BILL WITH RESPECT TO LATIN AMERICA, IT IS IMPORTANT TO KEEP IN MIND THAT DOLS 750 MILLION IN LATIN AMERICAN EXPORTS ARE GOING TO ENTER THE UNITED STATES DUTY FREE UNDER THE PROVISIONS OF THE TRADE ACT AND THAT WHATEVER INEQUITIES EXISTED COULD HAVE BEEN WORKED OUT.

AND AS I POINTED OUT YESTERDAY, AS PART OF THE NEW DIALOGUE, THE UNITED STATES HAS DECLARED THAT IT WOULD NOT USE PRESSURE WITH RESPECT TO ITS NEIGHBORS IN THE WESTERN HEMISPHERE -- BUT IT IS ALSO INAPPROPRIATE THAT OUR NEIGHBORS SHOULD ATTEMPT TO USE PRESSURE AGAINST THE UNITED STATES.

NOW WITH RESPECT TO YOUR SPECIFIC QUESTION: CUBA HAD ABSOLUTELY NOTHING TO DO WITH THIS, BECAUSE WE HAD HAD FULL CONSULTATIONS ON HOW TO HANDLE THE ISSUE OF CUBA WITH OUR WESTERN HEMISPHERE NEIGHBORS, AND A SUBSTANTIAL CONSENSUS WAS EMERGING ON HOW THE ISSUE OF CUBA SANCTIONS

COULD BE HANDLED AT THE BUENOS AIRES MEETING, AND THERE HAD BEEN NO DISPUTE WITH RESPECT TO THAT.

DO I BELIEVE THAT THE NEW DIALOGUE IS IN JEOPARDY? AS WITH RESPECT TO THE SETBACK THAT WAS SUFFERED BY DETENTE, THE POSTPONEMENT OF THE BUENOS AIRES MEETING IS OBVIOUSLY NOT TO BE DESIRED.

ON THE OTHER HAND, ANY FOREIGN POLICY TO BE EFFECTIVE MUST REFLECT THE MUTUAL INTERESTS OF ALL PARTIES.

THE UNITED STATES BELIEVES VERY STRONGLY THAT A STRENGTH-ENING OF WESTERN HEMISPHERE TIES IS IN THE INTEREST OF ALL OF THE COUNTRIES IN THE WESTERN HEMISPHERE. WE HAVE BEEN PREPARED, AND REMAIN PREPARED, TO MAKE STRENGTHENED HEMISPHERE RELATIONS ONE OF THE CARDINAL ASPECTS OF OUR FOREIGN POLICY. AND WE ARE CONVINCED THAT THE MUTUALITY OF INTERESTS AND THE LONG TRADITION OF COOPERATION IN THE WESTERN HEMISPHERE WILL OVERCOME THIS TEMPORARY DIFFICULTY. AND WE LOOK FORWARD TO WORKING VERY CLOSELY WITH OUR FRIENDS IN THE WESTERN HEMISPHERE AND STRENGTHENING OUR

NW 52968 RED ATTONS 11 Page 210

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Q: MR. SECRETARY, DO YOU PLAN TO TRAVEL TO LATIN AMERICA DURING THE MONTH OF FEBRUARY?

A: I PLAN -- I DON'T THINK I HAVE ANNOUNCED IT, AS SOME OF MY COLLEAGUES SEEM TO HAVE ANNOUNCED -- I DO PLAN TO TRAVEL TO LATIN AMERICA, CERTAINLY BEFORE THE OAS MEETING HERE IN APRIL. THE EXACT DATE I WOULD LIKE TO WORK OUT AFTER MY TRIP TO THE MIDDLE EAST HAS BEEN MORE FIRMLY SETTLED. BUT I WANT TO SAY NOW THAT I PLACE GREAT STRESS ON OUR RELATIONSHIP WITH LATIN AMERICA AND THAT I WILL GO AT THE EARLIEST OPPORTUNITY THAT I CAN DO JUSTICE TO THIS VISIT. KISSINGER

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E.O. 1652:N/A

TAGS: PFOR

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SUBJECT: B.A. MEETING OF FOREIGN MINISTERS - ARGENTINE COMMUNIQUE



THERE FOLLOWS TEXT OF ARGENTINE FOREIGN MINISTRY COMMUNIQUE OF JANUARY 27 ANNOUNCING POSTPONEMENT OF BUENOS AIRES MEETING OF FOREIGN MINISTERS:

- 1. QUOTE. LA SANCION DE LA LEY DE COMERCIO EXTERIOR DE LOS ESTADOS UNIDOS HA CREADO UNA SITUACION CONTINENTAL QUE HA SIDO ANALIZADA EN LA RECIENTE REUNION DEL CONSEJO DE LA ORGANIZACION DE LOS ESTADOS AMERICANOS. ALLI LOS PAÍSES DE AMERICA LATINA AFIRMARON UNANIMEMENTE QUE ESA LEGISLACION DETERIORA LA SOLIDARIDAD INTERAMERICANA, DESNATURALIZA EL SISTEMA GENERAL DE PREFERENCIAS, CONTRARIA DISPOSICIO NES CONTENIDAS EN LA CARTA DE LA ORGANIZACION, Y, POR SU RIGIDEZ Y FALTA DE EQUIDAD, LESIONA INTERESES FUNDAMENTALES DE LOS PAÍSES LATINOAMERICANOS. LA ARGENTINA CONCUERDA PLENAMENTE CON EL ESPIRITU Y CON LA LETRA DE ESA RESOLUCION.
- 2. POR ELLO, EL GOBIERNO ARGENTINO EN SU CARACTER DE SECRETARIA PRO TEMPORE DE COORDINACION DE LA IIIA. REUNION
- DE ANCILLERES AMERICANOS CONSIDERO PROCEDENTE PROPONER LA POSTERGACION DE ESA REUNION QUE DEBIA REALIZARSE EN BUENOS AIRES EL PROXIMO MES DE MARZO, CONVENCIDO DE QUE LA SITUACION CREADA DEBIA SER AFRONTADA POR AMERICA LATINA DE MANERA UNIDA Y SOLIDARIA.

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EL GOBIERNO ARGENTINO TENIENDO EN CUENTA LAS CONSUL-TAS EFECTUADAS CON TODOS LOS GOBIERNOS PARTICIPANTES. HA LLEGADO A LA CONCLUSION DE QUE NO ESTAN DADAS LAS CONDICIONES ADECUADAS PARA CELEBRAR EN LAS ACTUALES CIRCUNSTANCIAS, DICHA REUNION .- EN CONSECUENCIA, EL GOBIERNO ARGENTINO PROCEDE A POSTERGARLA HASTA EL MOMENTO EN QUE LA SITUACIONTCONFLICTIVA CREADA POR LA LEY DE CONTE COMERCIO EXTERIOR DE LOS ESTADOS UNIDOS SEA SUPERADA Y ---PUEDA ENTON ES REANUDARSE EL DIALOGO ENTRE LOS PAISES DE AMERICALATINAY LOS ESTADOS UNIDOS DENTRO DEL ESPIRITU DE COOPERACION Y ARMONIA QUE SE REQUIERE PARA ENCARAR LA CONSIDERACION -DE-LOS'-PRINCIPALES ASUNTOS DE INTERES CONTINENTAL Y PARA QUE DICHO DIALOGO SEA UN INSTRUMENTO -- . EFFECTIVO Y EXITOSO EN BENEFICIO DE LAS ASPIRACIONES DE LA REGION.

CON ESTA DECISION, LA ARGENTINA ENTIENDE CONTRIBUIR AL MEJORAMIENTO DE LAS RELACIONES INTERAMERICANAS Y SERVIR A LA SOLIDARIDAD DE AMERICA LATINA, EN LA QUE CREE Y CONFIA COMO UN ELEMENTO FUNDAMENTAL PARA EL DESARROLLO DE NUESTROS PUEBLOS. VIGNES. UNQUOTE. KISSINGER MINISTRI CONTRACTOR 155 . - C ° Ø59

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E.O. 1652: N/A

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Department of State

TELEGRAM

TRIBUTION

ACTION: SecState, WASIDS.

IMMEDIATES

DIFFID OFFICIAL USE BULINOS AIRES

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10 11652: N/A

TAGS: PFOR, MFM

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SUBJECT: Meeting of Foreign Ministers

REF: BA 0590

(pei)

- In luncheon discussion on January 27 with Emboff,
 Ambassador Juan M. Figuerero, Secretary Pro Tem
 of MFM, after discussing reasons for postponement
 of MFM, suggested it would be good idea also to
 postpone meeting of Working Groups on Transnationals
 and on Science and Transfer of Technology.
- 2. There are different problems with these two WGs.

 Stance February 10 WG on Transmationals has not yet
 been convoked and there has been no offer from Panama
 nor the Dominican Republic to host meeting; therefore,
 Washington would be the site if held. Figuerero said
 he would like to receive from us, as prospective host
 country, an informal indication that we were in

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ECOM: WBeal

A/DCM: JVHedberg

POL:WSmith

SCI: RWilcox

agreement with postponement. There is justification, in GOA view, because it has been agreed that this meeting should be held two months prior to MFM.

GOA hopes that/April OAS meeting new date might be set for MFM and thus for this WG.

already been convoked in Uruguzy, and GOU would presumably have to initiate action to spostpone it.

It appeared to Emboff that Figuerero was hoping that USG would take some informal initiative with GOU for postponement. He said ugly situation was developing with Peru building up to confrontation. Said this was evident from Peru's behaviour in Conference on International Law in Panema. Therefore, Figuerero expected that, if held on schedule, this WG would go along unfortunate lines of Santiago meeting.

Figuerero requested that USG move ahead with GOA request for loan (with option to purchase) of functional and security radio equipment for use at MFM. He felt that having equipment considerably in advance of MFM would permit greater familiarization and thus permit smoother working of MFM when held.

3. Embassy requests Department reaction to above ASAP.

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Department of State

TELEGRAM

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ACTION SecState WASHDC

E.O. 11652: GDS

TAGS: PFOR, XM, AR, US

Subject: Official Statement Denying USG is Considering Changing

Site of MFM

HAL-BUENOS AIRES 0590

REF:

A/DOM

POL-3 POL/R:

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BOWDIER-HILL TELECON

1. We have informed Foreign Ministry of changes suggested in Bowdler-Hill telecon this morning.

They have accepted all. Vignes has suggested one additional modification. Last sentence first

paragraph would now read: quote The Government of the United States wishes to assure the Government of Argentina that it is completely in agreement with the decision already taken that the third MFM be

held in Buenos Aires. unquote

2. We have tried to contact Dept by phone regarding Vignes change, but are again having difficulty with

circuits. We see no problems with modifications he

D BY: POL:WSSmith:FJZambito:cc DRAFTING DATE TEL EXT. APPROVED BY: POL:WSSMITH IN

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NW 52968 DocId: 32735130 Page 216

asks for. Vignes has requested that we issue statement prior to his 5 p.m. press conference (3 p.m. Washington time). If Dept has any reservations to new wording of last sentence first paragraph, please reply by phone or flash cable. In absence of reply, we plan to go ahead at 3:30 p.m. (1:30 p.m. Washington time).

3. Principal purpose of Vignes 5 p.m. news conference is to announce decision to postpone MFM, with no new date given at this time. GCA plans to

inform Dept this afternoon re postponement decision.



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PAGG AMBASSADOR MAILLIARD

£.0. ,1652: GDS

TAGS: PFOR, AR, OAS

SUBJECT: DÉPARTMENT COMMENT TO PRESS ON BUENOS AIRES

(LA NACION) STORY

1.4 DEPARTMENT HAS CIVEN WIFE SERVICES ON LA CIRCUIT THE FOLLOWING STATEMENT OF THE U.S. POSITION REGARDING THE BUENOS AIRES MEETING. STATEMENT, FOR ATTRIBUTION TO "DEPARTMENT OFFICIALS", WAS GIVEN BY WAY OF COMMENT ON LA NACION/REUTERS REPORT OF REMARKS ATTRIBUTED TO AMBASSADOR MAILITARD IN BOGGTA. TEXT FOLLOWS: "WE UNDERSTAND THE ARGENTINE COVERNMENT IS CONSULTING WITH OTHER GOVERNMENTS IN THE HEMISPHERE ABOUT WHETHER TO POSTPONE THE EVENOS AIRES MEETING IN VIEW OF THE ATTITUDE OF VENEZUELA AND ECUADOR ABOUT ATTENDING. THE UNITED STATES WILL UNDER-STAND AND ABIDE BY WHATEVER DECISION THE ARGENTIME COVERNMENT REACHES AS HOST FOR THE MEETING, RESPONSIBLE FOR ITS ARRANGEMENT. THE UNITED STATES HAS MEVER TAKEN THE POSITION NOR SUCCESTED THAT A NEW SITE SHOULD BE CONSIDERED FOR THE NEXT MEETING.

- 2. FUR BUENOS AIRES: YOU MAY WISH TO HAVE USIS DISSEMINATE PORTION QUOTED IN PREVIOUS PARAGRAPA TO BUENOS AIRES MEDIA.
- 3. NEWS AGENCY REPRESENTATIVES CONTACTED HERE COMMENTED THEY (1) WERE TOTALLY UNAWARE OF REUTERS STORY AND (2) SERPONSEY DOUBTED ITS ACCURACY AS U.S. POSITION ON THIS ISSUE IS CLEARLY UNDERSTOOD. INGERSOIL BT 8436

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FRAMEmbassy BUENOS AIRES

11652:

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BJECT:

PFOR, OAS, AR, US

State Instructions re Mailliard Bogota Statement

CTION:

SecState WASHDC NINGT IMMEDIATE FOR ASSISTANT SEC. ROGERS FROM AMBASSADOR HILL ONFIDENTIAL BUENOS AIRES (1914) 0581

REF:

State 018419

Instructions received subsequent to dispatch of BA-0580. I will issue statement tomorrow, Jan. 27.

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O G N F I D E N T I A L MEXICO 758

E.O. 11652: GDS TAGS: PEOR, OCON

SUBJECT: FOREIGN SECRETARIAT SUPPORTS ALEJO STATEMENT

ON ATTENDANCE AT MFM

REF: MEXICO 703

1. IN A PRESS RELEASE OF JANUARY 23, THE FOREIGN SECRETARIAT CHARACTERIZED STATEMENTS MADE BY NATIONAL PATRIMONY SECRETARY FRANCISCO JAVIER ALEJO REGARDING GOM ATTENDANCE AT THE SCHEDULED MFM IN BUENOS AIRES AS "TOTALLY CONGRUENT" WITH THE PREVIOUSLY ESTABLISHED MEXICAN POSITION. ALEJO HAD SAID, AS REPORTED REFTEL, THAT MEXICO WOULD NOT ATTEND THE MFM UNLESS CUBA ATTENDED. THE FONSEC RELEASE SAID: "WHAT SECRETARY ALEJO SAID DOES NOT DIFFER FROM THAT WHICH THE MEXICAN FORFIGN SECRETARIAT HAS SUSTAINED INVARIABLY FOR OVER A YEAR, IN ACCORDANCE WITH THE INSTRUCTIONS WHICH PRESIDENT ECHEVERITA HAS GIVEN TO FOREIGN SECRETARY RADASA."

- 2. MODERATE EL SOL ALSO CITES THIS MORNING AN EXCLUSIVE INTERVIEW GIVEN YESTERDAY BY PRESIDENT ECHEVERRIA TO A REPORTER FROM THE LONDON FINANCIAL TIMES, IN WHICH ECHEVERRIA CONFINCED THE POSITION EXPRESSED BY ALEJO.
- 3. INFLUENTIAL NATIONALIST EXCELSION AGAIN EDITORIALIZED TODAY AGAINST MEXICAN ATTENDANCE AT BUENOS AIRES, WARNING THAT UNDER PREVAILING CIRCUMSTANCES, THE MEETING WOULD INEVITABLY FAIL.
- 4. COMMENT: DESPITE THE FONSEC'S HASTY FFFORT TO ESTABLISH THE "CONGRUENCE" BETWEEN ALEJO'S ANNOUNCEMENT AND EARLIER STATEMENTS BY GOM OFFICIALS, THE FACT REMAINS THAT ALEJO, NOT FOREIGN SECRETARY RABASA, TOOK OR WAS GIVEN THE LEAD IN ESTABLISHING COM POSITION. END COMMENT,
- 5. MEANWHILE, GOM ATTENTION TO BILATERAL RELATIONS WITH CUBA REMAINS INTENSE, MEXICAN EDUCATION MINISTER BRAVE AHUJA HAS SPENT MOST OF PAST WEEK SQUIRING HIS CUBAN COUNTER-PART AROUND COUNTRY. THIS MORNTHO THAY SIGNED YET ANOTHER BILATERAL COOPERATION AGREFMENT, AND I AM TOLD THAT BRAVE IS HOSTING A FORMAL LUNCHEON IN HIS HONOR THAS AFTERNOON.

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DISCUSSION WITH ARGENTINE SUBJECT BUENOS AMBASSADOR

AT OUR REQUEST AMBASSADOR ORFILA CALLED ON DEPARTMENT (ROGER TO DICEMBER 25 TO DISCUSS BUENOS AIRES MEM AND OTHER TOPICS OF AURRENT THIEREST. CRITICA SAID ON BASIS HIS DECEMBER (19) DINNER CONVERSATION WITH THE (SECRETARY WAICH HE HAD REPORTED TO MONDIN VIGNES. HE BELIEVED PREPARATIONS BY TWO GOVERNMENTS FOR MET UER HOVEND ALONG WELL. ORFILA SAID HE CONTIDERED A FRICK VISIT TO SULTON AIRES BY THE SECRETARY (REPORTED SEPTEL) LOBOR ET A VERY POSITIVE CONTRIBUTION TO STREMSTHEMENG PL-

WATERAL RELATIONS AND ASSURING THE SUCCESS OF MEM. ORFILA SAID ROSLIVER THAT ARGENTIMA WAS OPPOSED TO HAVING THE CAS DENERAL ASSEMBLY IN BURNOD AIRES SINCE THERE WERE HO FEASIBLE DATES THIS COULD BE DONE AND TO TACK SUCH A MEETING ONTO THE END OF THE MEN WOULD DELICHARD THE CAS.

THAT THE HOLDING 7. REGISHED POSTEED OUT Or TWO MEETINGS INVOLVING FOREIGN MIDISTERS CO CLOSE TO-GETHER SEEMED ELABORATELY INEFFICIENT. IT WAS FOSSISFE MEETING IN BUENOS AIRES WITH ALL THE MINISTERS PRESENT EVEN FOR A MERY SHORT TIME WOULD EMMANCE THE OAS MORE THAN A LACK-LUSTER MACHINOTON MEETING. CAPILA AGREED THAT A TANDEH MELTING WAS WOPTH CONSIDERING.

CREILA SAID THE MEM GAVE ARGENTINA AN MILTORIC OPPORTUNITY TO CONSOLIDATE THE NEW DIALOGUE, ESTABLISH A LEADERSHIP POSITION IN LAYER AMERICA AND A TRUE FARTWERSHIP WITH THE U.S. HE CONSIDERED CLOSE BILATERAL CONSULTATIONS VERY USEFUL.

- 4. CUBAN PARTICIPATION AT THE BUENOE AIRES MEETING WAS DISCUSSED. ORFILA WAS GIVEN U.S. THINKING ON THIS ISSUE WHICH IS BEING COMMUNICATED TO VIGNES BY THE SECRETARY. (SEPIEL FOLLOWS.) ORFILA REPLIED THAT HE KNEW THE U.S. POSITION DEPENDS UPON WHATEVER CONSENSUS IS ATTAINED BUT THIS COULD VERY WELL NOT BE DEVELOPED UNTIL JUST IMMEDIATELY BEFORE THE MEETING. MR. ROGERS POINTED OUT THAT CUDA HAD THE KEY TO THE SOLUTION TO THIS PROBLEM.
 - THERE FOLLOWED A DISCUSSION OF SPECIFIC ITEMS FOR THE AGENDA AND HOW TO APPROACH THEM. ORFILA SAID OUB! AND PANAMA WERE THE TWO SUBSTANTIVE ISSUED AND THAT MIB.II-MATIONAL QUIDELINES AND TRANSFER OF SCIENCE AND TECHNOLOGY WERE ALSO SURE TO COME BEFORE THE COUPERENCE. ALTHOUGH HE COMPLAINED OF A LACK OF PROGRESS ON THESE MATTERS. AMBASSADOR BOWDLER RECOMMENDED ARGENTINE ASSISTANCE IN ASSURING THAT THESE ITEMS WERE SUF! ICIENTLY DEVELOPED FOR PRESENTATION TO THE MINISTERS. ORFILA SAID REFORM OF THE OAS WOULD SURELY BE ANOTHER ITEM ON THE AGENDA. ROGERS OBSERVED THAT IF THE REVISIONS OF THE RIO INEATY WERE COMPLETED IN TIME, THEY COULD BE SIGNED AS THE PROTOCOL OF BUENOU AIRYS.

CREILA SAID SUCH A DEVELOPMENT UGULD HAVE MANY ATTRACTIONS FOR ARGENTINA. AND COULD VERY WELL SAVE THE WHETING AND ASSURE ITS SUCCESS. HE SAID ANGENTIAL WAS NOT ENTHUSIASTIC ABOUT VENEZULLAN AND MEXICAN PROPOSALS FOR A

ROGERS SAID THE U.S. WAS ALSO CONSIDERING A STATEMENT SUGGESTING PATTERNS OF CHANGE FOR THE CAS IF THE YOULD BE HELPFUL.

- S. ORFILA INDICATED DISCATISFACTION WITH THE PRESENT CITUATION CONCERNING THE ELECTION OF A NEW OAS SECRETARY GENERAL. HE SAID GIVEN THE RULES AND THE CURRENT SITUATION, A STERILE AND DAMAGING STAND-OFF FOR FIVE PALLOTS SEEMED GUARANTEED. HE SPECULATED HOWEVER THAT THE VENEZUELANS COULD EASILY RALLY CUPPORT AND SAID HE DOUBTED THE U.S. COULD REMAIN NEHTRAL FOR VERY MUCH LONGER.
- 7. ABOVE FYI ONLY. SISCO BI 9733



Department of State

TELEGRAM

STRIBUTION

ACTION: SecState, WASHDC.

AmEnbassy, LIMA

SANTTAGO

11652: N/A

TAGS: PFOR, MFM

SUBJECT: Topics Related to Meeting of Foreign Ministers

REF: State 264739

- Embassy officer consulted with Ambassador Juan M. Figuerero, Secretary Pro Tem of meeting of Foreign Ministers, on several subjects concerning plans for the March meeting.
- 2. Science and Transfer of Technology: Ambassador Figuerero said that Argentina has been urging Uruguny to make a proposal for holding meeting of WG/STT. He said that Brazil has requested that Uruguayan government not convoks mesting prior to January 28, since there are a number of other conflicting meetings during the month of January. He added that Brazil

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POU: wSmith

and Argentina are urging Uruguay to make proposal as soon as possible in order to allow sufficient time for planning. Confirming report in para. 5 reftel,

Ambassador Figuerero said that the Brazilian government has asked the Uruguayan government to arrange for a meeting of Latin American delegations three days before the beginning of the meeting with the U.S. He commented that this means that the Brazilians are coming around to the Argentine way of thinking, that inter-American meetings including the U.S. should be preceded by Latin American caucus, rather than holding the caucuses during the meetings as happended at Santiago.

- Transmational Corporations: Ambassador Figuerero requested that the Department send him copies of documents on the previous meeting. He wants the texts (in all languages in which they were published) of the Washington communiqué and all statements by country spokesmen. He is making the same request to Mexico concerning the Tlatelolco meeting.
- March Meeting of Foreign Ministers: Ambassador Figuerero said that it is quite likely that the Argentine government will decide to have the meeting in Buenos Aires and not in Bariloche, unless there is a marked change for the worse in the security situation. He said that the problems in Bariloche would be very serious. Main problem would be insufficient first class hotel rooms for delegates and press.

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He felt the logistic problems would also be very great. To provide additional security for the meeting, wherever it is held, he is considering using a system which, he said, worked well at the meeting of the "non-minimum" countries at Algiers. With this system, each delegation gets one gold badge and five silver badges to permit admission to meeting room. The head or acting head of the delegation wears the gold badge and he allocates the silver badges to whomever he wishes on his delegation. Thus, no more than six people from each delegation could be in the hall at one time. The total number of badges does not necessarily have to be six, but in order to be effective as a security measure, the number should be relatively small. He asked for an informal reaction of the U.S. government to this idea. Request response ASAP

Find of finquired concerning a story appearing in

"Cronista Comercial" (a morning business newspaper)

for December 9, in which Peruvian Foreign Minister

de la Flor Valle was quoted as saying that "Cuban

participation at Buenos Aires is now the responsibility

of the Argentine government, which has received

favorable replies from a majority of the governments

they have consulted concerning the attendance of Cuba

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at the Buenos Aires meeting." The story went on to say that "it had been announced on the 10th of October that a formal invitation had been extended to Cuba having been authorized by a majority of Latin American governments, and therefore Cuba's attendance could be taken for granted." Ambassador Figuerero replied that this report was not true. He said that the Argentine government was not making any consultations until it had received word concerning the position of the U.S. government, which it hoped to receive sometime in December. He did not know that the Feruvian Foreign Minister was planning to make any such statement, and he did not know on what basis he made it.

DECON 12-10-75.

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FORM 4.62 FS-413A Classification

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Department or State

DEFT PASS: USCINCED FOR POLAD

E.O. 11652: CDS

TAGE: PINT, ELAB, AR

December 23, 1974

Amendassy DUENOS ATPES

Organized Labor's Attitudes towards the President, the Military, and Lopez Rega

Introduction and Summary. This report attempts in as concise a manner as possible to portray organized later's attitudes toward the President, the military, and governmental strongmen, Jose Lopez Rega. In summary, Jabor has because two easingly disenchanted with the President, despises Lopez Rega, and is seeking an even closer rapprochament with the military than it has already achieved. Disenchantment with Mrs. Form in 10 way implies that labor will withdraw its support from her, nor does its close relations with the military indicate that it would accept a "military solution" to the country's problems.

The President. Organized labor is becoming increasingly disenchanted with besident Maria Estela Martiner de Peron, and believes there is initial likelihood that the will be able to provide the leadership necessary to institutionalize the Peronist Movement. That disenchantment is based primarily on some grapes; that is, on labor's realization that despite its support for and importance to the government and the President, labor is unable in any substantive way to exert influence on her or within the government. Consequently, because she is reliawing "bed advice", labor believes that little substantive progress is being realized.

labor's public humiliation during the mid-November return of Evita Peron's remains was symptomatic rather than

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causative of its disemblantment, but that event did force to to take the mecossary hard look at its deteriorating nost flook vis-a-vis the President. Isabel Peron was obviously aware of the additional strain which the incident placed on her relations with labor, but she did little to assuage labor's breised feeling Instead, she added insult to injury during her December & visit to the CGT, the first she had made since assuming the Presidency despite labor's reposted requests that she edopt General Feron's policy of pariodic visits. There was nothing concillatory in her speech at the CIT. Instead, one lectured labor's leaders on Peronist doctrine, told them that they should be bearers of "our doctrine, without deformations of any type", then chilled them for their pretensions to power by telling them that "whoever wishes to be heard with respect must first know her to persuade his listeners". Labor interpreted the message, and is now resigned to the fact that it will have at best a cool, relatively impersonal relationship with the President for the itresecution future.

Labor's disencementment in no way signifies shat it is, or would over contemplate. Withdrawing its support from the cresident. It is sware that its well-being and future are theroughly died to Peronism and constitutionalism. Therefore, there will be no break with the government or the President, not will there he are public manifestations of labor's displacement. Instead, there will be continued statements of full support for Isabel. Only through unconditional support for her can labor maintain characters of the Peronist verticality of command. Without that Peronist discipline, the monolithic structure of organized labor would soom crumble, and the present labor leadership would find itself hard pressed to maintain itself in power. To them, Isabel is Peron.

Lopez Rega. To labor, the reasons behind Isabel's elicuation can be traced to one source-Lopez Rega. He is viewed as a charleton, whose only claim to fame was having spent many years as feron's bedyguard. Isbor feels that he has in insettable appetite for power and is not willing to permit any other individual or group to share even the smallest crumb of influence. Labor has never been given what it considers a satisfactory explanation for its exclusion from the repatriation of Evita's remains. The consensus is that it was simply lopez Rega's refusal to share the spotlight with anyone elec-

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because to have done so would have immeasurably improved the other's stature. Although the first reaction to the insidence was "to have Minister of Labor Ricerdo Otero's head" for hit having assured labor's participation, the feeling now appears to be that Otero should not be thamed as Lopes Rega is too powerful for any one person to handle.

Even beyond labor's frustration over lopez Rega's successful tactics in isolating Isabel, they are powerless to stop him from attempting to exercise undue influence within the labor movement itself. His control over vast sums of money and governmental appointments has made those efforts pay off in many irratances. (Note--In a recent conversation with British Embassy diplomats, a group of distinguished government and private sector officials estimated that chrough the Ministry of Social Welfare Lopez Rega controlsed a minimum of eight billion pesos, i.e. 800 million dellars.) Reportedly, he is presently maneuvering within the CCT itself, taking adventage of the ebsence of a wrifted Executive Beard.

In chart, the general feeling is that Tapan Rega is a completely negative factor. Tabor would like nothing more than to have him departed from his position of influence. Some labor leaders have told the reporting officer that they were "metablively certain" that loose Rega will be shipped out of the country to an imbassadorship during the first half of 1975. Given the current state of relationships, that appears to be little many than wishful thinking on labor's part. As labor has no real influence with the President, any move along those lines would have to come from another source.

The Military. If lopez Rega can be forced out, labor believes that it is the military which will convince the President to take their step. Should be 55, the feeling is that the military will become much more involved in the government. Labor has no problem with that prospect, and would in fact welcome it.

Labor believes that it shares a community of interest with the military, and that they are logical partners in the building of a new Argentina. Both are staunchly anti-communist, both share the same enemies—the leftist terrorists—and both equally despice Lopez Rega. Labor discounts any possibility of a military coup as it is convinced that the military is

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Buenos Aircă A-406 Page 4

presently committed to continued constitutional rule. Based on those views, labor has recently intensified its efforts to further improve its already good relations with the military establishment. When discussing those developments, most labor leaders comment that it was General Peron himself who instructed them to patch up their old differences and to forge the closest possible relations with the military. They also point out that the rapprochement has been made casier by the purge of most of the important anti-Peronist officers. While the present faciling of affinity between the military and labor could be a transitory one, it is, nevertheless, real. It could endure.

Comment. The above portrayal of labor's attitudes such be viewed with the caveat that "labor" is, of course, not a single entity. Nor is the military. There are labor leaders—and obviously military officers—who would never be able to look with pleasure on the prospect of a military-labor alliance. Old hatrods cannot be forgotion or forgiven in some cases. Those labor leaders who are cajoying the fruits of lonez Rega's benevolence would not be pleased to see his demise; nor are all labor leaders completely ready to write off as beyond the realm of possibility a reseatablishment of close, personal relations with labbel Peron. Nevertheless, if one can speak of labor as a sector, the above reflects the general consensus of labor attitudes at the present time.

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Department of State

E. C. 11652: GDS TAGS: PINR, AR

OCTOBER 30. 1974

Amembassy BUENOS AIRES

Updated Report for Review of NSC-IG/ARA

- 1) A-6968 of Suptember 5, 1974
- 2) BA-6818

.. Summary/Conclusions

Mrs. Peron is very likely to remain in office as President another 3, months and her chances of remaining even another 9 months are good. During that time, her government will continue to seek good relations with the U.S. Her longer-term tenure is uncertain, but even a replacement government would probably not basically alter Argentina's posture vis-a-vis the U.S.

2. Hear-term Prospects (1-3 months)

Mis. Ferch, who despite reports of miscellaneous ailments appears to be in good health, will almost certainly remain as President everythe next several menths. She has recently taken ators to insure the order next several menths. She has recently taken ators to insure the order dialogue with the other sectors and has moved to seive a multiply problem for government is, on the one hand, moving more firmly and effectively equinst the leftist temporists, thus pleasing the military. It also has reportedly taken steps to curb the AAA, a right wing parapolice organization. Whether these latter measures are effective remains to be seen wirs. Perch has also surengthened her hand by getting rid of the controversial Minister of Economy, Jose P. Gelbard, and the inerfective Minister of Interior, Benito Ilambi, and replacing them with the highly respected Alfredo Gomez Morales and Alberto Rocamora, respectively. In sum. Mrs. Perch is in a stronger position now than some months ago.

3. Forces for Stability

Perhaps the strongest thing Mrs. Peron has going for her is that no one sees any attractive alternatives to her continued rule. She represents a constitutional solution and the continuation, however tenuously, of the

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institutionalization process which the overwhelming majority of Argentines want to see succeed. For all practical purposes, the left wing of the Peronism has left the Movement. The mass of Peronists, however, are standing behind Mrs. Peron and despite bloody internecine strife between a small group on the Peronist extreme left and an equally small group on its extreme right, the Movement shows no signs of more cataclysmic disintegration. For the near term, then, the gravitational pull of an intest Peronist mass is likely to remain operative.

4. The Radicales

The Radicales are also likely to continue to support Mys. Peron. They believe that the centrist forces must remain united behind her if the common threat from the left is to be defeated and the military are to be kept in the barracks. They also, however, fear the rise of the Peronist extreme right. They had been encouraged by the appointment of Rocamora and other measures (see BA-6818). Subsequently, however, they began to wonder if these were not simply cosmedic steps, especially in view of the increased activities of the AAA (which made it clear that Rocamora had not managed to assert his control over the Federal Police). Redicales and members of other parties began to ask themselves; "how can the government be serious about dialoguing with us when an organization we know to be linked to the government has threatened some of our members with death?" Further, while appearing to have more confidence in herself as President, Mrs. Peron had not given much evidence of interest in consulting with the other parties. On October 8, however, Mrs. Peron met with the leaders of eight opposition parties, the CGT and CGE. (A larger meeting had been planned but was scaled down at the last minute.) The meeting may have produced no very concrete results, but it did improve the atmosphere and lead to an invitation from Mrs. Perce to meet more privately with the representatives of the political parties on October 28. The Radicales have also been encouraged by what they believe to be evidence that Mrs. Peron has responded to their discreed Med demands that the government curb the AAA. The appointment of Gomez Morales has also encouraged them as well as other parties.

5. The Military

Military support for Mrs. Peron is likely to remain basically intact for some time. Sensitive to the fact that a political role for the armed forces is still widely unpopular, the high command would consider reassuming direct control only as a last resort—as in the case of a complete breakdown in public order. The armed forces have been sorely tested by terrorist attacks. Clearly, the ERP threat to murder

16 Army officers was aimed at provoking a coup, even though a coup at this point would obviously represent an irrational act. To their credit, the armed forces have ignored the bait. In all probability they will continue to do so.

6. Economic Situation

- a) Gomez Morales first taskes new Economics Minister will be to select his new economic team. Its members are likely to be drawn from the ranks of old line Perchists, including officials who were prominent during his previous tenure as Economics Minister from 1952-1954.
- b) Initially at least, the new Economics Minister should benefit from widespread political support-something which his predecessor lacked. Whether this support can be maintained remains to be seen. Negotiations of wage increases under the Gran Paritaria will be one of the first big tests for the new economic leadership-with considerable impact on future business and labor attitudes. Currently, a climate of good will appears to exist among interested parties and there is optimism that a reasonable settlement can be worked out.
- c) Over the next few months, the specific policy directions of the new economic leadership should begin to take more substantive form. They are likely to include greater monetary and fiscal restraint, some additional flexibility on prices, and more attention to investment problems. Inflation has begun to rise again and will be a priority concern. Trade and balance of payments prospects are expected to remain favorable.

7. Forces for Instability

The basic threat to stability comes from a small percentage on the extreme right and the extreme left. On the right, the activities of the AAA, have already been discussed. Hopefully, the government is taking steps to keep the organization in line, but it must at this point still be considered an active force for instability. Also on the right, Lopez Rega continues to represent a discordant note. He represents more a long-term than a short-term threat to stability, however. For the immediate future he will probably continue to work behind the scenes to strengthen his own position while at the same time exerting hisself to bolster Mrs. Peron and keep her in office. He is certainly loyal to her up to a point, but more importantly, he would clearly view as against his interests her fall from power before he is ready to try to assume it.

8. Terrorism

As of mid-October 1974 the government of Isabel Peron had developed a substantial degree of momentum vis-a-vis the counterinsurgency struggle in the country and had successfully placed the ERP and other terrorist organizations on the defensive politically. Through the closure of media outlets and by the restrictions placed on local newspapers, the government has effectively denied the ERF, Montoneros. et al the means to get their message to the people. The recently accelerated violence in the country, which in large part is attributed to quasi-official counter terror, has served to foment a growing repugnance by the public to terrorism and, by extension, to those grasps with advocate violent revolution, i.e., the ERP, Montoneros, etc. In add at the 8 October Multi-Sectorial Meeting, which energetically condemned by right-wing and left-wing violence, presented an overall image of unity against those who wished to disrupt through violence the newly found institutionalization in Argentina. Again, it has been the left wing groups which have borne the brunt of this condemnation. The closure by the government of the University of Buenos Aires and the dismissal of the leftist deans and professors which have thus far been accomplished without student protest, have served to eliminate what was a virtual terrorist safe site and recruitment arena for the subversive groups. Energetic action by the government against incipient labor conflicts. particularly in Cordoba Province, has denied the insurgents a potential explosive ambience which could have been exploited and has also served notice on labor agitators in other areas who might have been tempted to test the government's will. In addition to the political aspect, the government has recently increased both legal and extralegal repression on the terrorists and has had a measure of success in raids againg safe sites, meeting places and arms caches. While most of the police successes in recent weeks have involved easier targets, such as the Montoneros, other elements of the Revolutionary Tendency of the Peronist Youth, and the Socialist Workers Party (PST), there have also been some notable operations against the ERP. In short, the government has made a good beginning in applying and keeping pressure on the insurgents. A The strengthened political position of the government is believed to have nad the greatest impact on the ability of the Montoneros to organize for armed resistance, since the Montoneros are more of a political entity than is the ERP. For this reason, it is believed that the Montoneros may decide to undergo a period of retrenchment and consolidation before attempting to launch an all-out attack and government, although it is likely that they will continue to engage in sporadic terrorist, propaganda, and fund raising actions in order to retain their image as a revolutionary force. The ERP, which has also felt increasing pressure from the government, is perhaps better prepared to continue to operate from a clandestine existence and even regain the offensive through a series of spectacular acts of terrorism. In the final analysis, both the ERP and the Monteneros retain the capability fo periodic abductions and assassinations even though their maneuverability has been restricted by increased government action against them.

9. Short-term Prospects and Implications for U.S. Policy

Three considerations stand out with reference to U.S./Argentine relations:

- a.) On the political side, despite the climate of violence, the government appears to be in no danger of collapsing. Mrs. Paron has strengthened her position and that of her government, which has so far shown itself disposed to pursue a policy of quiet, dialogue and cooperation with the United States. Foreign Minister VIGNES, the principal architect of closer U.S./Argentine relations, appears secure in his job until March at the very least. Hence, the United States can expect a continuation if not an enhancement of the present Argentine posture vis-a-vis the United States. We believe, for example, that while Argentina will vote to lift the sanctions against Cuba in the November Quito meeting, it will play a moderating role and may be of considerable assistance to the United States.
- b.) On the mecurity side, the potential terrorist thread to USG property and personnel is likely to remain high over the next few months.
- c.) On the economic front, the appointment of Comez Morales should lead to a rapidly improved atmosphere. Gomez Morales is better disposed towards foreign investment, is more flamible and is more open to discussion and compromise. American interests are in short, more likely to get a fair hearing from him than from Gelbard.

10. Mid-term Prospects (Three to Nine Months)

The situation is extremely fluid; its whole complexion could change rapidly in the next few months. Analyzed on the basis of the facts and evidence available at this time, however, there appear to be no problems of such magnitude as to seriously threaten Mrs. Peron tenure over the next three to nine months. Terrorism will remain a pressing problem but will probably be contained. The economy may show some improvement under Gomez Morales guidance. At the moment, then her chances of remaining in office at least another nine months appear to be good.

11. Forces for Stability

Assuming that Mrs. Perón continues to give some attention to maintaining it, the centrist consensus should hold together at least for the next three to nine months. The majority of the Peronists, the Radicales and the military, the three major polesof power, are likely to continue to support her government.

- 12. The government is likely to make some headway against the leftist terrorists and to take measures to keep the night-wing parapolice organizations reasonably in line. The ERF, Montoneros and other leftist-extremist groups will retain the capability to carry out major actions and will doubtless do so. But those capabilities are not likely to increase. GOA efforts apparently are naving effect against the terrorist support structure and recruitment system. The terrorist threat has by no means passed, but it may well be peaking.
- 13. Economic Management is likely to improve under Gomez Morales' guidance. Argentina should find favorable marketsfor her exports and hard currency earnings should be good. The key points in this time frame are whether Gomez Morales will be able to re-establish the confidence of Argentina investors, bring government expenditure under control and confine the rate of inflation.
- 14. Factional infighting will continue. However, it may well hegin to abate somewhat as confidence in Mrs. Peron grows. There is less bickering in the cabinet now, for example, than some months back when Solano Lima, Geltard and Lopez Rega represented three distinct opposing poles of power.

15. Forces for Instability

Mrs., Peron has improved the muslity of her government with the appointments of Rocsmora and Gomez Morales. Nonetheless, with the exception of four or five cabinet ministers and a few congressmen such as Allende, Lastiri and Luder, this is not an impressive government, For the long haul, the quality of the leadership is not such as to inspure much confidence in the government's ability to solve basic problems.



16. Terrorism, while possibly reduced by countermeasures, will continue to represent a potentially destabilizing factor.

17. The figure of Lopez Rega is one of Mrs. Peron's major vulnerabilities. So long as he is there, the other sectors, even though they may cooperate and give the government their support, will when it with a certain suspicion and distaste. Mrs. Peron is esare of this and can be expected to encourage Lopez Rega not to hog the camera excessively(see RA-6818). Lopez Rega will nonetheless cont to maneuver behind the scenes to strengthen his own position, probin with a view to making himself President, or at least the unchalleng power behind the throne. He has already carved out a better position for himself than most observers would have expected six months ago. He did not and does not enjoy the support of any sector. He is trying to establish a power base by placing trusted cohorts in key jobs, and he has had some success. He has by no means won the game and many moderate Peronists count on Lastini, Rocamora, Gemez Morales and others of their stripe to block his rise. Gomez Morales may prove a more effective adversary than did Gelbard, since the former has an established position within the Peronist Movement which the latter did not. So far, however, anti-Lopez Rega forces have, for a variety of reasons, been more than prudent in their efforts to oppose him. The question may become not one of who supports Lopez Rega, but rather, who will stand up to oppose him. The figure of Lopez Rega, a thus the problem he apresents, was diminished somewhat by the relative less publicly prominent role he has played since September (see BA-681) There is still a question, however, as to whether this represents more than a facade behind which he continues to work as before. In any event, his efforts to advance his own fortunes will probably represent an element of instability over the next three to nine month

18. Mid-term Prospects and Implications for U.S. Policy

US/Argentine relations should continue to improve during the indicate time Trans. In the months shead - and certainly until March - Mrs. Perón's government, with Vignes at the foreign-policy helm, will probably be even more interested in avoiding problems with us than't has been over the past few months. As we move toward March. Argenting primary foreign policy focus will increasingly be on holding a successful and harmonicus MFM in Argentina which will produce concrete result of this, they need the cooperation of the United States. Further, in Argentine eyes, the MFM will not be a success unless attended by Secretary Kissinger. The GOA can, then, be expected to go to some

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lengths to maintain good relations with the United States and a dialogue with Doctor Kissinger. Ambassador Orfila, who was closely identified with Gelbard, may fear for his position. Certainly, there are Peronists here who would like to destroy him. Even if he were replaced, however, the chances are that a new Ambassador would continue to press for close U.S./Argentine relations.

19. Prospects for the Longer Term

While Mrs. Peron's government appears to be in no immediate danger, the prospects for the future are uncertain. It is not a strong government and it is faced with serious problems, As suggested above it should be able to contain some of these problems, such as terror and buy time with respect to others. Gomez Morales, for example, may bring more effective management to the economy and bolster public confidence. Whether or not he can begin to solve basic economic problems, however, is very much open to question. The same question holds for other basic problems.

20. Perhaps in the long run, one of the most crucial questions facing Argentina is much er or not it can avoid the extremes. Most observer are now confident that the threat from the left can be contained and eventually defeated. Unfortunately, one extreme frequently spains another. In what seems to be a reaction to the torcat from the extreme left, the government has recently given evidence of swinging in the direction of the extreme right. Such appointments as that of Locabanne, the new interventor in Cordoba, for exemple, are disturbing. This reaction is not surprising, however, and may represent a passing phenomenon. Even many moderates admit that at least for a time an iron hand may be needed on Cordoba and in the University. The trend towards the right is a dangerous one, however, for it could unleash Peronism's latent tendencies tweards authoritary add a nish, ! The cannot rule out the possibility that the extreme right could establish itself in power within the next year (though Mrs. Pero might remain as the titular head of state). In the short run, this would not lead to collapse and chaos. A right-wing government might keep the clamps down tightly for a time -- perhaps even for a few year In the long run, however, it would have little chance of maintaining itself in power, and there would be a danger of a swing to the other extreme when it fell. In the final analysis, the only rational way out of Argentina's chronic political malaise is through continued dialogue and compromise among the centrist groups - in other words, through broadly, inclusive, consensus politics. Extremes are by definition exclusive and would upset the process. Should, for exemple

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Lopez Rega ? some other representative of the extreme right succeed in gaining unchallenged control of the governments dialogue with the other sectors would end and alienation of those sectors, with its inevitable consequences, would begin.

- 21. Even if Mrs. Perch's government avoids the extremes and hews to an essentially moderate course, whether or not she manages to serve out the rest of her term(until 1977) is problematical. She faces economic as well as political problems which could build up and lead to her downfall. Should that happen, the military would be unlikely to step in unless her fall were accompanied by or led towwidespread violence. A more likely scenario would seem to be one in which José Antonio Allende, whose relative position has decising since Peron's death, would resign in favor of Raul Lastiri, who would again act as Provisional President until elections could be held. At the moment, Lastiri also appears to be the most likely Peronist candidate in such elections though others may emerge as the process develops. Provided they put forward an attractive candidate such as Fernando de la Rua, the UCR would be in a strong position.
- Comment: At this point, no one's expectations are very highis Argentina. About the most people hope for is that the country can rock along with a constitutional government, whether it be Mrs. Per lestiri's, or someone else's. If the government can be kept out of the hands of extremists, Lopez Rega, or the military for the next few years and the institutionalization process saved, that will be mirecle enough for most Argentines.

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Policy Flanning Talks in Argentina

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DEPARTMENT FOR S/P AND ARA DEPARTMENT PLEASE PAGE TO SEC PARTY FOR LORD FROM LEWIS LA PAZ FOR LUIGI RINAUDI

Surery. Planning talks in Buenos Aires with officials of im Foreign Ministry and Reconcule Ministry were successful taxes in generating a front exchange of views on both global and regional issues. The Argentines continue to look to the US to take the lead in chaping a successful Merch MPM, including finding solution for their painful dilemma over Coban attendance. They seem to regard the agenda items on trensnational enterprises. trade, and transfer of technology to be most important but have no fresh ideas as to what might be done in these fields. They idore idea as have no clear they / to how the Inter-merican system should be reorganized and are rather inclined to postpone any decisions

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On global issues, they are very pervoys about CONTENTS AND CHASSIFICATION APPROVED BY: FOL: WEXE

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FORM FS-413

being left out of the action by the developed countries.

They are mildly paranoid regarding their participation in proposed food schemes and emphasized that they would require guarantees regarding future price levels and market guarantees before they could participate. Bud Summary.

- 2. The Policy Planning Group met three times with Argentine
 Foreign Ministry and Economic Ministry officials Nov 25-27,
 plus three informal social gatherings. Group also met twice
 separately with Foreign Minister Vignes; these meetings concentrated
 exclusively on plans for upcoming BA-MFM and on Cuba problem
 (Septel). Argentine side chaired in formal meetings by Undersecretary for Foreign Affairs Desmaras, assisted by Undersecretary for Economic Affairs Beckmann, Director General
 Molina Salas, plus various Assistant Secretaries and Office
 Directors from regional and functional areas. Secretary of
 International Commerce Ventura and his aides joined talks
 for the session at which global economic problems discussed.
- 3. Argentines were extensively and carefully prepared and took 7 the lead in kicking off the discussion of regional issues.

 Atmosphere was more formal than in Brasilia but after initial stiffness the exchanges became very frank. Argentines seemed pleased with the experience. Both sides got a good look at the other's perspectives, though both shared frustration at inconclusive outcomes.

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- Argentines were anxious to discuss the "New Dialogue" and inter-American relations, in contrast to the Brazilians and Chileans. Unfortunately, they had few concrete ideas as to what should be accomplished at the March meeting. Instead they were hoping that the U.S. side would pull some rabbits out of the hat, including some solution for their agomizing dilemma over Cuban attendance at B.A. meeting. When no rabbits appeared, both sides got down to the business of exploring what might be achieved by March on the Tintelcco agenda.
- 5. In Argentine eyes this tends to be defined as how far the US is willing to go to meet Latin American aspirations as expressed in the Thateloco agenda. The US side repeatedly and bluntly made the point that how far the US could go in adjusting its policies to accommodate Latin American interests depended in part on how far Latin America could go towards taking account of US interests; that the "New Dialogue" implied give-and-take on both sides. US public opinion and those special US interests directly affected would not allow US Government to make unilateral concessions without some thought, admittedly less than full, reciprocity.
- isportance to the issues of transmittional enterprises, trade, and transfer of technology in that order:

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A. Transantional Enterprises: They hope that the US will be able to sign off on some general principles of conduct and indicated tentatively that they might be willing as quid pro quo to support an effort in the post-Murch period to define the rules of the game for the corporations. They said they regard the Latin Americans' willingness even to participate in inter-governmental discussions of this subject as a concession, since to do so implied some departure from the Calvo Doctrine. They said they recognized need for each side not to push the other too hard on sensitive issues (Calvo vs. international law). They think recent Enshington meeting of THE group was very positive.

- B. The Argentines attach great importance to the question of market access (see below) and believe that some concrete movement on trade issues at the Buenos Aires MYM would be zeraize regarded as a real achievement. They suggested that this should take the form of putting GSP into effect (sic) and demonstrating on some manner that the US would work in the MFH framework on rules favorable to the LDC's on a non-reciprocal basis.
- C. On Science and Technology, the Argentines are somewhat skeptical of the merits of setting up any new inter-American mechanisms. They stressed need for progratic approach, taking concrete problem areas, such as patent laws, restrictive business practices. However, they obviously do

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not have a unified position as yet on this subject.

- 7. The Argentines see little merit in putting much effort into reorganization of the OAS machinery, until, as one of them put it, the member states decide what they want to use the OAS to accomplish, if anything.
- §. In sum, the GOA's thinking on the Buenos Aires meeting has not advanced further than our own; they are eager to work closely with us on developing ideas for the meeting end, as chairman of the Latin American caucus will work hard to sell these ideas to their Latin American colleagues.

(It should be noted that, unlike Brazil, they see great merit in the latin American caucus as a part of the "New Dialogue". They claim the caucus results in a moderate position and thus prevents the more radical members from confronting the US with extreme demands.)

9. Global Issues

The Argentines showed themselves quite fearful of being left out of the action as far as shaping the work on the new global agenda is concerned. They obviously lack the self-confidence of the Ex Brazilians in this mass areas. They are most as sensitive to the slightest indication that the developed countries may be embarking on a course of working out solutions among themselves.

10. On specific issues:

A. Detente. They fear that Detente will give greater

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scope to middle-sized powers to engage in what they call "mini-imperialism". They cited Asian examples but obviously have Brazil in mind.

- B. Food. They are willing to participate in solving the world's food problem only if they get guarantees that after expanding Argentine output, they will not find five years hence that the bottom has fallen out of the grain and meat make markets. They expressed deep bitterness at what they regard as a US policy of undermining their market position in grains over the past twenty-five years via P.L. 480
- C. Min. They still had not seemed to group the fact that US can only solve problems of market access in the broad global framework of a new trading system and not bilaterally with Argentian. We hope we made some dent in their myopic view. As for MIR itself, they are highly suspicious that the bigger boys will settle among themselves and have no real intention of letting countries like Argentina influence the cuteoms.
- D. Third World. They are committed to participating as member of both Third World and Non-Aligned Groups. However, they are conscious of potential for deepening divisions in these blocs. They do not accept US criticism of automatic bloc-voting, which they regard as sheer hypocrisy on part of US.

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ECCS, FFOR, IM, AR, US Foreign Hinister Vignes on Buence Aires Meeting

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Secretate WASHDC--PRICETRY ASSESSED LA PAZ--PRICETRY

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LA PAZ PASS TO ZIRAUDI

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1. S/P team exchanged views How 27 with Foreign Minister
Vignes and staff on problem of what Rusnes Aires MEM might
be able to produce as concrete accomplishments. Discussion
focused on the statement of principles for multinational
enterprises being worked on by MEM Working Group. S/P team
said it was US hope that by March there could be agreement
on at least some general principles. These would have no
juridical standing, but would in effect represent a useful
first step, a statement of the guidelines by which the
governments agreed enterprises should conduct themselves.
This might include the following points: a) that there should
be no illegal political intervention in the internal affairs
of host countries; b) that the enterprises themselves should

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take cognizance of and adjust their conduct to the development plans of the host country; c) that the & enterprises would undertake to carry out in the host country as much as possible of the research and development activities needed for their operations there; and d) that the USG would encourage its transnational enterprises to live up to these principles.

- 2. Foreign Minister Vignes expressed approval of the general thrust. Argentina wanted foreign investment and recognized that if it was to be attracted to Argentina, investors would have to make at least as much profit as they could turn at home. Argentina wished to encourage a positive climate for foreign investment but to do so we would first have to clear away the negative ones—i.e. the companies that abused and exploited her hospitality. As a prime example of a company that had misbehaved, Vignes pointed to Deltec.
- 3. Vignes recalled that he had stated at Tlateloloco that foreign companies should be governed exclusively by the legislation of the host country, and he stated belief that in granting the licenses for export of cars to Cuba, the US had implicitly accepted this principle. He asked if the S/P Team's first two points were not another way of saying the same thing?
- b. 8/P group said they were not. The principle formulated by the Foreign Minister would be perceived by US interests

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at this point as a threat to them as it could be interpreted as a unilateral renunciation of any responsibilities to our investors.

- 5. Ambassador Figuerero (Secretary protem of MFM) asserted that first order of business was to define what it was we wished to get rid of—i.e. the negative aspects referred to by Vignes. Only then should we move to a statement of positive principles. US side pointed out that, while this might appear to be a logical approach, it was in fact not politically feasible. The matter had to be structured in such a way as to present the mutuality of interests involved. The formula suggested by Figuerero, on the other hand, would be perceived in the US as unilateral renunciation of right to protect US investors abroad.
- 6. Foreign Minister Vignes expressed his agreement with this point, but said he was certain compromise language could be worked out which might in affect incorporate both ideas. In reply to a question, Vignes said that a declaration of principles would be sufficient to assure the reasonable success of the March MFM provided it were really a significant statement of a new situation.

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Caze: 17X= 52963 Date: 7808 23 OCT 74 0940 DEPARTMENT OF STATE INDICATE 7 COLLECT CHARGE TO CLASSIFICATION Amembassy BUENOS AIRES DIMITED OFFICIAL USE N/AE.O. 11652: ٦ OVITE PFOR, AR TAGS. Visit of GCA Senate Delegation **8UBJECT:** Secstate WASHDC ACTION: 7000 OFFICIAL USE BUENOS ATRES HEF: AMB -Turing lunch at home of Senator Paz on Oct 19 Senators POL (%)(7) POL/R Napoli (UCR), Garcia (Justicialista), and Moreno (Justicialista, **ECOM** SCICOUN who are members of the delegation going to observe US elections, .Us cs DAO expressed to Ambassador Hill their interest in meeting with MILGP (2) FRENKYXXXII US officials with expertise in their respective areas of CHECK RF personal or legislative competence. Embassy believes meetings EEGATT. world be of great mutual benefit and hopes ARA/ArU can help arrange appropriate program. We are advising Fon Min of Senators wishes so that GOA Emtassy in Washington can also help arrange program. Senator Napoli, the UCR Senator from Rio Negro, is vicechairman of the Committee on Industry and Mining. He also is a public health doctor and in this capacit, wishes to discuss public health matters (e.g. preventative medicine, industrial safety, US public health programs) with appropriate US officials. In addition, Napoli would be interested in visiting public health POL: FJZambito: db-7-7 10/22/74 121 POL: WSsmith QUEARANCES: DCM: JJMontllor MILGP: NJSeliabury, Gen. PAS: DWilson zain 3.lyplai 7/ LIMITED OFFICIAL USE

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Mapoli will visit Congressman Fascell's district, returning to Washington on Oct 29 for approximately 4 or 5 days.

(Dates same for other Senators. Will report district they will visit when available.) During this period, roughly from Oct 29 to Nov 3 or 4, he along with the other Senators will be available for meetings with US counterparts. Napoli speaks no English and will require an interpreter.

- 3. Senator Justino Garcia, is a Justicialista from La Pampa, and Secretary of the Agricultural and Cattle Committee. He expressed interest in meeting with officials **x**mathex**N from the Dept. of Agriculture. His special interest is meat and grains. Contacts with Department of Agriculture commodity officials with LA expertise along with State E bureau officials would probably best serve his needs. The Senator is now in La Pampa and we will follow-up and amplify on above on his return to Buenes Aires **22**29** October 23** or 24. Senator Garcia does not speak English and will require an interpreter.
- 4. Senator Moreno, a Justicialista Senator from Cantiago del Estero, is a vocal on the Education Committee and expressed an rural interest in discussing problems and approaches to amai education.

 The Senator departed from the luncheon to return to his district without further amplifying on his interests. He is scheduled to and return to Buenos Aires on Oct 23. Emb Off will contact him to elicit for further details. At present, Embassy believes

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efforts to arrange appointments with appropriate HEW officials best course. Senator Moreno does not speak English and will require an interpreter.

5. Embassy understands planning for Sen. Paz well advanced and appreciated DOD/Milgroup efforts in setting up an excellent program.

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